GALLUP REFINERY
PRIVATE PROPERTY
NO TRESPASSING
NO OUTLET

**closing its doors**

Marathon Petroleum's Gallup refinery is heading into its last days. The company expects to begin a phased reduction of staffing at the plant next month.

Sid Barth at Marathon's home office in Findlay, Ohio told the *Gallup Sun* Sept. 2 that there are approximately 220 employees at the refinery and with the decision to indefinitely idle the refinery, and terminal, those positions will no longer be necessary.

"The decision is based on the company's ongoing assessment of our operating costs and the competitive position of our assets, as well as our continued evaluation of the broader economic and financial impacts of COVID-19," Barth stated in an email.

"The Gallup refinery and terminal will be idled indefinitely with no plans to restart normal operations," she added.

When asked how much of a hit this would be to the area, Rep. Patty Lundstrom, D-Gallup, said, "You couldn't find a more crippling action to our economy than taking Marathon out of it."

She said Marathon is McKinley County's number one economic based employer and one of the top three sources of property, gross receipts and personal income taxes.

An economic impact analysis is currently underway, she added.

The refinery was refurbished at a cost of about $80 million in an upgrade last September according to Lundstrom and Gallup Mayor Louis Bonaguidi.

"I can't believe that there wouldn't be a market for it out there," Lundstrom said.

She and Bonaguidi are hopeful that it will be sold.

Bonaguidi told the *Sun* Sept. 1 that the plant has had a long string of owners including Shell Oil, Giant in the ‘80s, Western Refining, Tesoro, Endeavor, and then Marathon.

But Sen. George Muñoz, D-Gallup, doesn’t think the refinery will be resold. He believes Marathon has made it so that that plant will never be successful again.

“Marathon will keep the pipeline,” Muñoz said Sept. 2.

He said he was told that Marathon will divert that oil into Texas at Midland refinery at a discounted rate.

“I have looked [at] how they could move into renewables,” he told the *Sun,* Sept. 9. “I called their lobbyist and asked if it’s for sale.”

He said their answer was they would get back with him, but he hasn’t received a response to date. “They put me in the blender,” Muñoz said.

The future for employees at the Marathon refinery in Jamestown vary. Barth stated in her email that severance and outplacement assistance will be available in accordance with the company’s severance plan.

However, represented employees are subject to bargaining and their issues will be addressed in coming weeks.

Lundstrom said that she's talked with some Marathon employees who have been offered opportunities to move to another company facility; but, some have decided to take early retirement.

Muñoz presented a different picture.

"I think it was pretty unethical to do what they did to those people … to have 290 employees losing their job right before the holidays," he said.

Marathon mentions 220 employees in its email, but per conversations with Bonaguidi and Muñoz, that number is incomplete. They estimate it to be around 290 workers.

Muñoz says the discrepancy is likely due to the company not including contractors in the count.

Lundstrom thinks some of the employees could come back to work at the plant in the future under new owners.

But first there needs to be a response to COVID-19.

"Once this vaccination is in place, I'm very hopeful that this plant is up and running and maybe with a different fuel stock," she said. "It's been a great corporate citizen in McKinley County."

By Beth Blakeman
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