VANCOUVER ENERGY

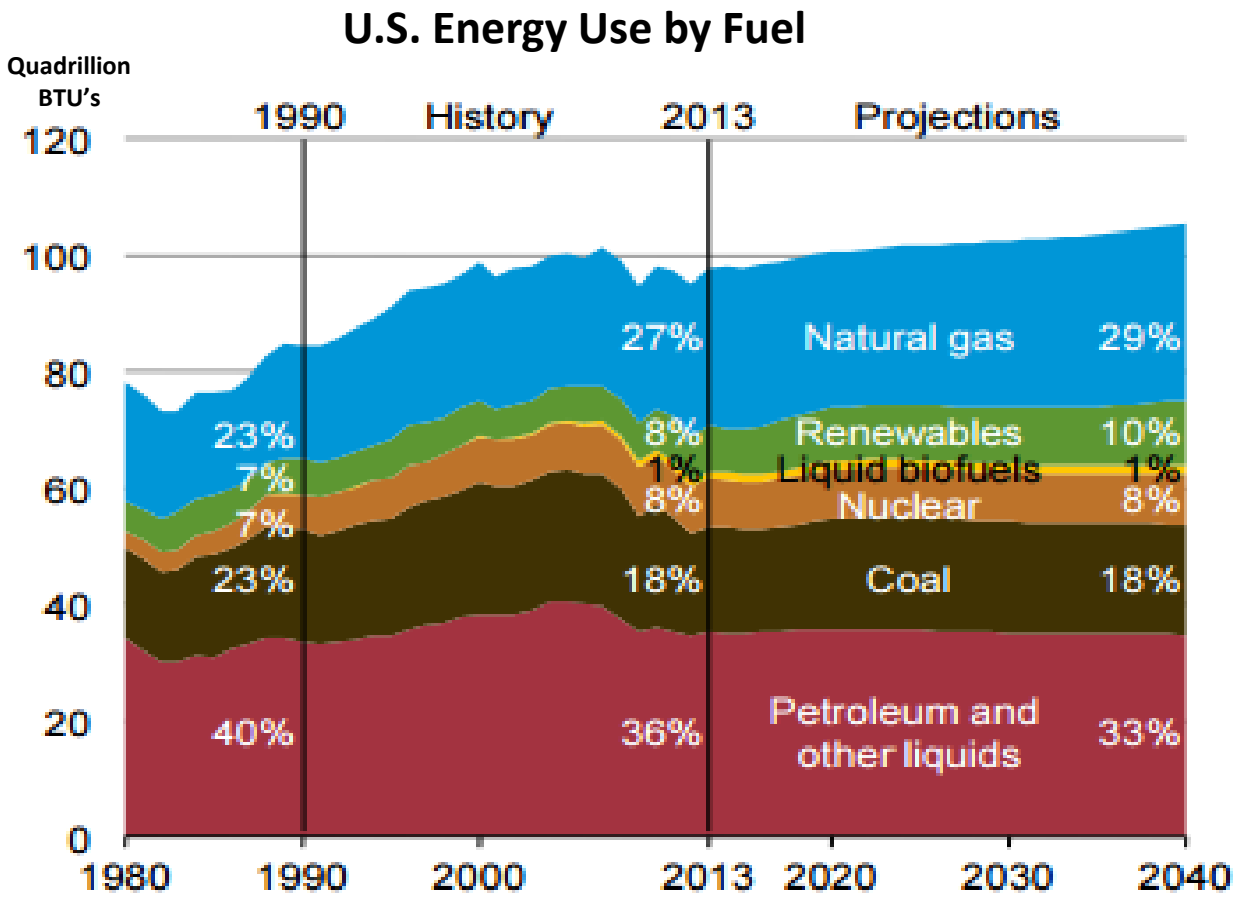
ENERGY INDEPENDENCE | ECONOMY | SAFETY | ENVIRONMENT | COMMUNITY

The Changing Energy Landscape and Benefits to the West Coast

Forward Looking Statements

This presentation contains certain statements that are "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 concerning the expected benefits of the Vancouver Energy Terminal; the outlook for U.S. energy demand, West Coast transportation fuel demand and foreign crude oil imports; the expected effectiveness of safety and environmental protection improvements, enhancements and features; estimated emissions; and the timing for completion of the Vancouver Energy Terminal. For more information concerning factors that could affect these statements see Tesoro Corporation's annual report on Form 10-K and quarterly reports on Form 10-Q, filed with the Securities and Exchange Commission. We undertake no obligation to publicly release the result of any revisions to any such forward-looking statements that may be made to reflect events or circumstances that occur, or which we become aware of, after the date hereof.

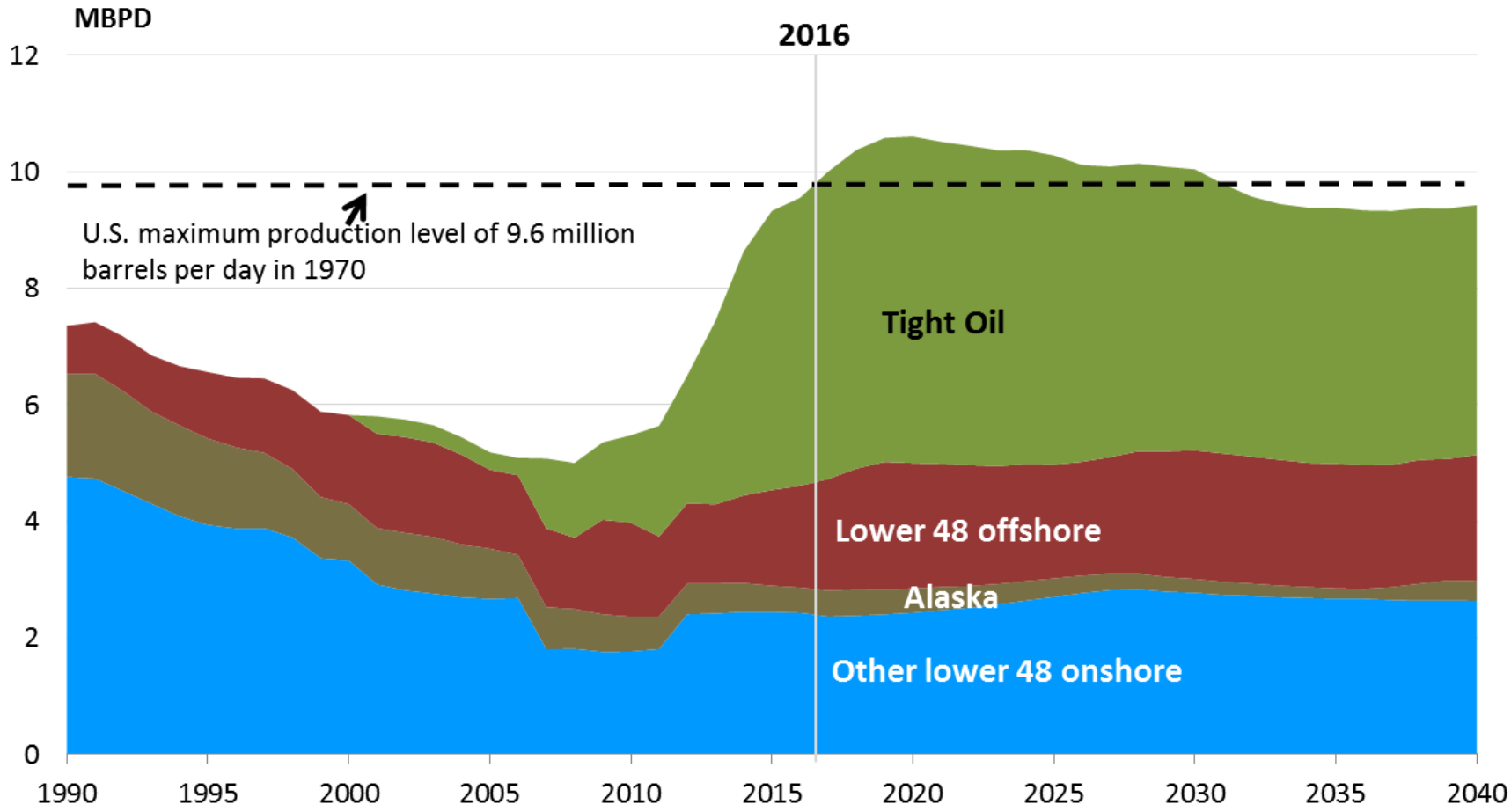
U.S. Energy Demand



Source: U.S. EIA's 2015 Energy Outlook

Nationally, a growing population and expanding economy increase demand for fuels, with petroleum continuing to be a significant part of the fuel mix over the long term.

U.S. Petroleum Supply

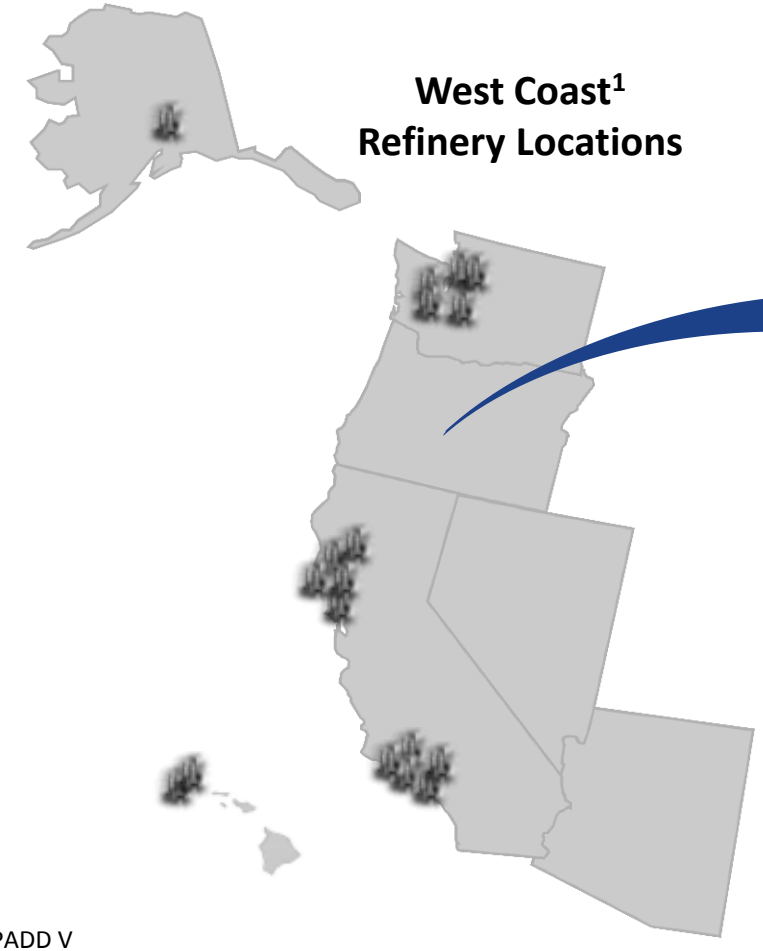


Source: EIA, Annual Energy Outlook 2015

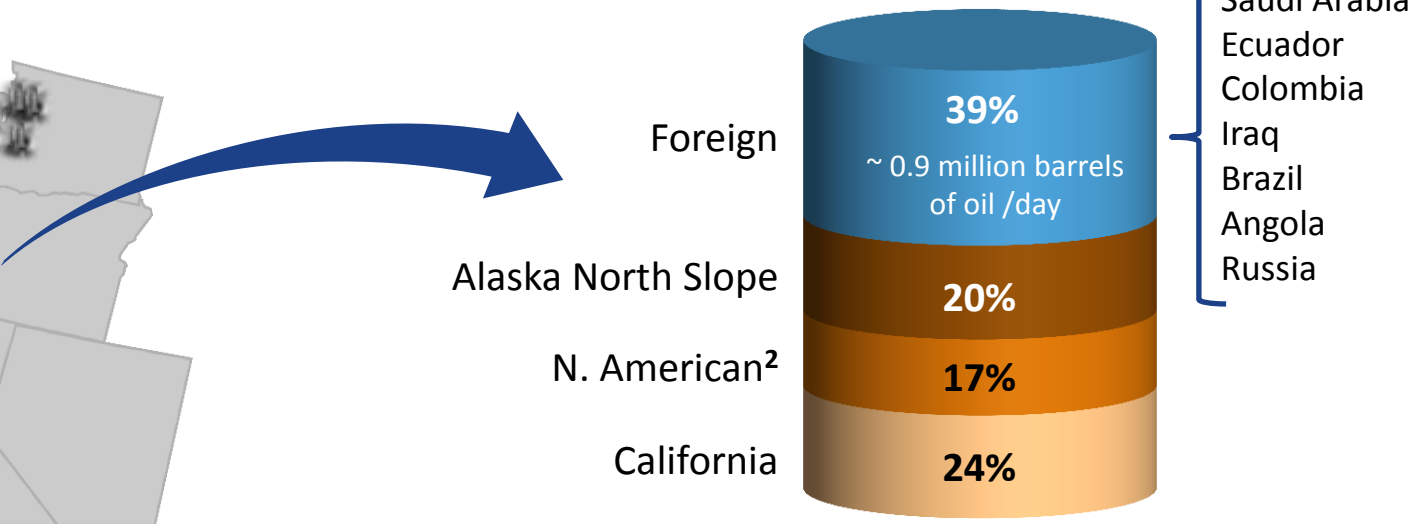
Growing tight oil and offshore crude oil production drives U.S. output to new historical highs.

West Coast Crude Oil Supply

West Coast[1] Refinery Locations



2015 West Coast[1] Crude Oil Supply



1. West Coast = PADD V
2. N. American = Canadian and U.S. crudes (excluding Alaska and California crudes)

Source: EIA data, Tesoro estimates. Imported estimates are non American crude oil and the estimated ranges can vary. One barrel = 42 gallons

Nearly 40 percent of the crude oil used for transportation fuels on the West Coast is from foreign sources.

Lack of Crude Oil Pipelines to the West Coast

Rail is necessary for West Coast access to midcontinent crude oil and enables displacement of foreign crude oil.

The Vancouver Energy terminal will be a state-of-the-art, purpose-built terminal that includes the latest safety and environmental protection processes.

Key Actions

Education & Awareness

- Public presentations from the beginning & ongoing
- State-of-the-art features designed into Vancouver Energy terminal
- Education about changes railroads have made in their operations

Rail Safety

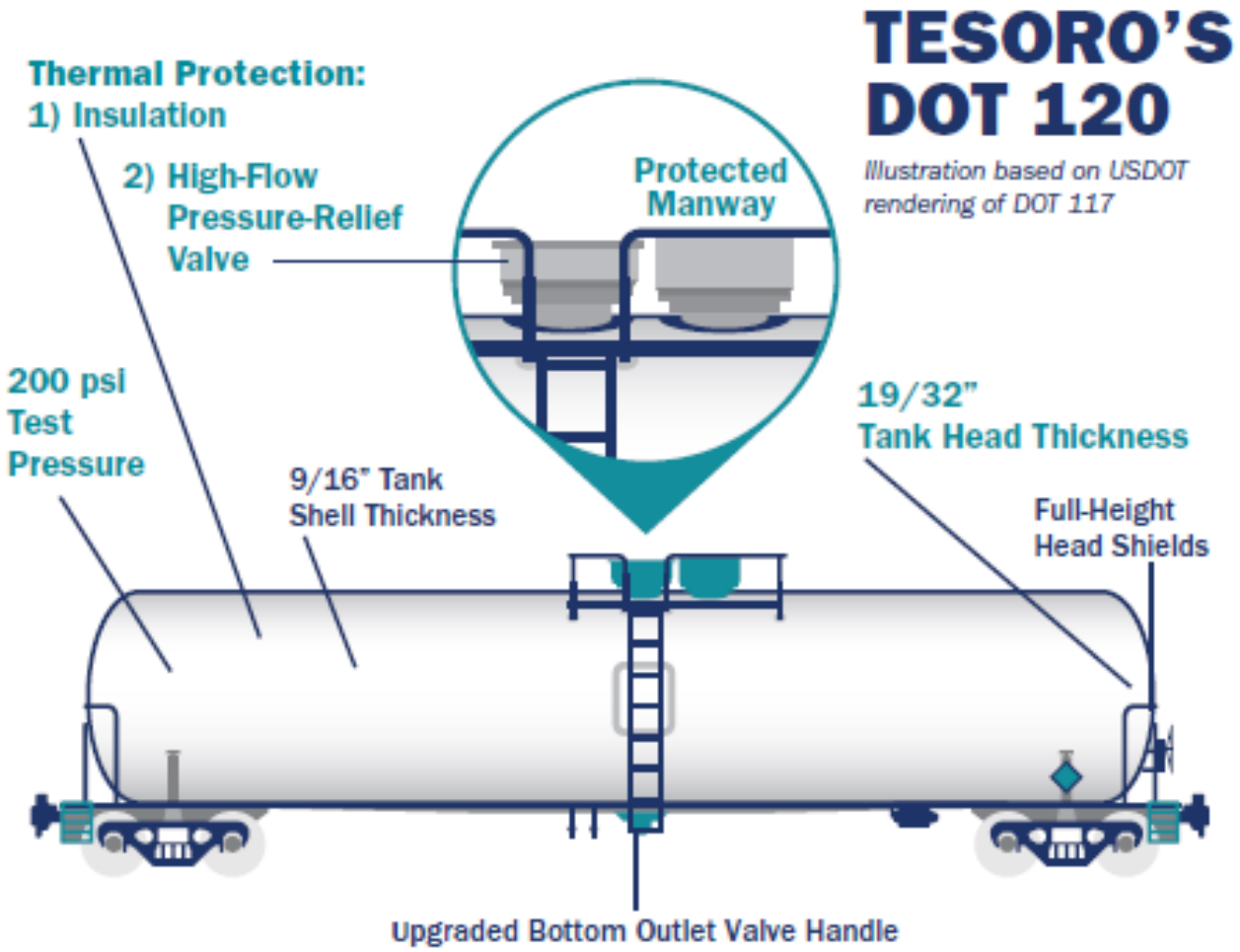
- Supported federal rail regulations
- Partnered with BNSF on voluntary improvements
- First to commit to phase out old design railcars
- Leased DOT120J railcars
- Committing to only allow DOT117+ into facility
- Led efforts to develop industry standard loading procedures

Emergency Response

- Supported state oil spill legislation (apply to rail)
- Placed emergency response equipment along Columbia River
- Offered emergency response training to local Fire Departments
- Developed mutual aid agreement to supply fire fighting foam

We have, and continue to play a critical role in improving overall system safety and environmental protection.

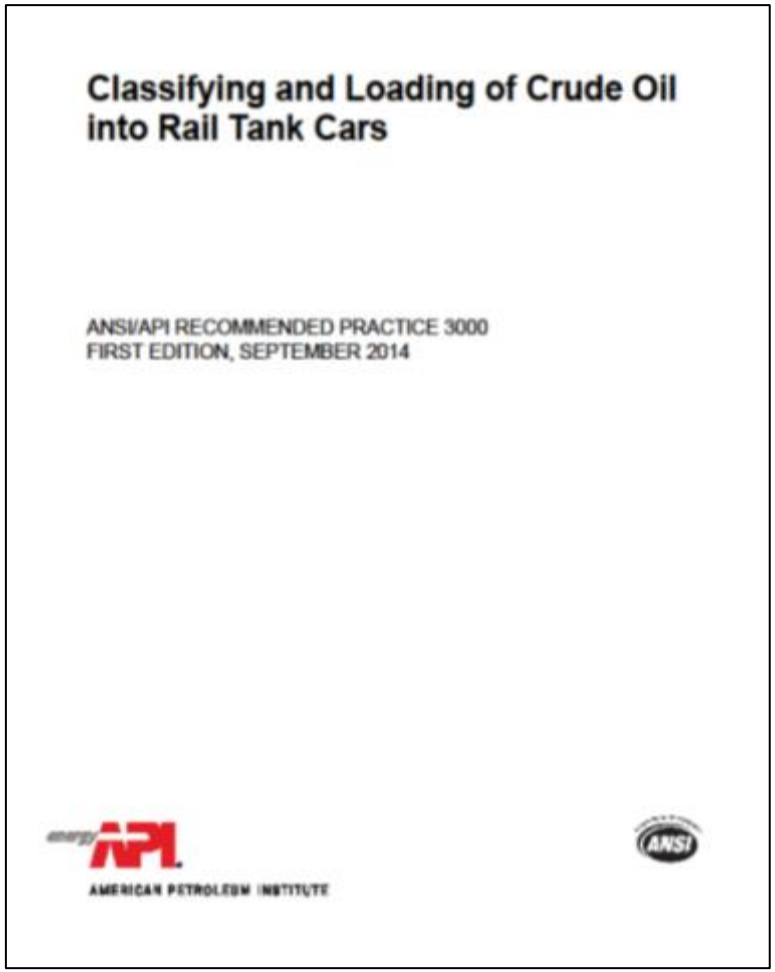
Leading Industry to Enhance Rail Safety



Tesoro has always procured the safest railcars available.

Crude Oil Characteristics

- North Dakota Industrial Commission treating standards (April 2015)
- Development of industry standards (Sept 2014) outlining:
  - Roles and responsibilities
  - Sampling and testing
  - Classifying crude oil for transportation
  - Measurement and processes
  - Record retention
  - Other items



There has been a significant focus on crude oil characteristics that resulted in standard processes for classifying and loading of crude oil and regular sampling, testing and treating.

VANCOUVER ENERGY

ENERGY INDEPENDENCE | ECONOMY | SAFETY | ENVIRONMENT | COMMUNITY

Questions?