

Exhibit H

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

In the Matter of:

Sunoco, Inc., (R&M)	:	Industrial Waste
3144 Passyunk Avenue	:	Violation of Clean Streams Law
Philadelphia, PA 19145	:	

CONSENT ASSESSMENT AND SETTLEMENT AGREEMENT

This Consent Assessment and Settlement Agreement is entered into this 22nd day of JUNE, 2015, by and between the Commonwealth of Pennsylvania, Department of Environmental Protection ("Department"), the Pennsylvania Fish and Boat Commission ("PFBC") and Sunoco, Inc. (R&M) ("Sunoco").

The Department has found and determined the following:

A. The Department of Environmental Protection is the agency with the authority to administer and enforce the Clean Streams Law, the Act of June 22, 1937, P.L. 1987, as amended, 35 P.S. § 691.1 et seq. ("Clean Streams Law"), and the Rules and Regulations promulgated thereunder. The PFBC is the agency with the duty and authority to enforce the Fish and Boat Code, the Act of October 16, 1980, P.L. 996, No. 175, 30 Pa. C.S.A. § 101 et seq.

B. Sunoco is a Pennsylvania Business Corporation with a corporate mailing address of 3144 Passyunk Avenue, Philadelphia, PA 19144.

C. At all times relevant, Sunoco owned and operated the Philadelphia Refinery, which consisted of the Girard Point Processing Center (Girard Point) and the adjacent Point Breeze Processing Center (Point Breeze), both headquartered at 3144 Passyunk Avenue, Philadelphia, PA 19145, collectively referred to herein as the ("Philadelphia Refinery").

D. On February 1, 2011, the Department issued National Pollutant Discharge Elimination Permit No. PA0011533 ("Girard Point Permit") to Sunoco for the discharge of treated industrial waste to the Schuylkill River a water of the Commonwealth.

E. On October 1, 2008 the Department issued National Pollutant Discharge Elimination Permit No. PA0012629 ("Point Breeze Permit") to Sunoco for the discharge of treated industrial waste to the Schuylkill River a water of the Commonwealth. The Girard Point Permit and Point Breeze Permit henceforth will be referred to collectively as the ("Permits").

Pollock Street Outfall

F. A Philadelphia Water Department combined sewer discharge line commonly referred to as the Pollock Street Sewer crosses under the Point Breeze Refinery and discharges at the Pollock Street Outfall into the Schuylkill River. Past releases of petroleum into the environment at Point Breeze have caused petroleum infiltration into the Pollock Street Sewer. This petroleum infiltration has caused oil sheens in the Pollock Street Sewer.

G. Sunoco maintained a rope skimmer, hard boom, and oil absorbent sweep and boom at the Pollock Street Outfall which was intended to capture oil sheens from the Pollock Street Sewer before they entered the Schuylkill River. However, there have been numerous occasions where, for various reasons, oil has escaped from the collection/containment booms and oil sheens have entered the Schuylkill River.

H. On the following dates, Sunoco reported that oil escaped the containment at the Pollock Street Outfall and created oil sheens on the Schuylkill River: September 21, 2011, September 26, 2011, September 28, 2011, October 10, 2011, October 11, 2011, November 8, 2011, November 15, 2011, and November 17, 2011.

I. On November 17, 2011, Sunoco determined that the "FOM" (Furnace Oil Medium) pipeline had sprung a leak in the vicinity of the Pollock Street Sewer and was causing additional petroleum infiltration into the Pollock Street Sewer. Sunoco reported additional sheen events in the Schuylkill River subsequent to the discovery of the FOM line failure.

J. On the following dates, Sunoco reported that oil escaped the containment at the Pollock Street Outfall and created oil sheens on the Schuylkill River: December 6, 2011, December 12, 2011, December 14, 2011, December 15, 2011, December 19, 2011, December 20, 2011, December 23, 2011, December 24, 2011, December 29, 2011, December 30, 2011, and January 3, 2012, January 6, 2012, January 7, 2012, January 9, 2012, January 23, 2012, January 27, 2012, February 2, 2012, February 3, 2012, February 7, 2012, February 8, 2012, February 9, 2012, February 10, 2012, February 11, 2012, February 12, 2012, February 14, 2012, February 15, 2012, February 16, 2012, February 20, 2012, February 21, 2012, February 22, 2012, February 24, 2012, February 25, 2012, February 27, 2012, February 29, 2012, March 6, 2012, March 8, 2012, March 19, 2012, March 20, 2012, March 21, 2012, April 16, 2012, April, 19, 2012, May 15, 2012, June 11, 2012, June 12, 2012, June 18, 2012, July 10, 2012, July 11, 2012, August 7, 2012, August 11, 2012, November 27, 2012, and January 29, 2013.

Number 3 Separator

K. The Number 3 Separator at the Girard Point Refinery is located near the Schuylkill River. Although the Number 3 Separator is not itself active, it has an outfall to the Schuylkill River. Though the Number 3 Separator may discharge through Outfall 002 as an emergency during wet weather events, Sunoco has reported both oil releases and oil sheens in the vicinity of the Number 3 Separator unrelated to designed discharges from the outfall.

L. Sunoco reported the following oil spill incidents:

1. On May 26, 2011, approximately one half gallon of oil reached the Schuylkill River through a hole in the riverfront bulkhead near the Number 3 Separator.
2. On July 13, 2011 oil passed through the bulkhead into the Schuylkill River at the same location.
3. On July 18, 2011, a pipe fracture in the process water collection system in the piping from the 137 Crude Unit to the Number 4 Separator caused the release of oil into the Schuylkill River from the Number 3 Separator Outfall.
4. On September 1, 2011, an electrical pump failure in the temporary bypass system caused a release of oily process water, an industrial waste, in the area of the Number 3 Separator Box.
5. On March 27, 2012 another leak of oily process water occurred from a pipe fracture in the process water collection system in the piping from the 137 Crude Unit to the Number 4 Separator.
6. On June 11, 2011, a flange leak from the light cycle oil pipeline sprayed oil to the river.
7. On June 12, 2011, the flange leak recurred allowing the release of 46 gallons of oil.
8. On June 13, 2011, approximately one gallon of oil passed through the bulkhead to the river.
9. On August 14-15, 2011, the Number 4 Separator overflowed causing the release of oil to the Schuylkill River during a wet weather event.

M. Sunoco reported oil sheens in the vicinity of the Number 3 Separator on the following occasions: On May 18, 2011, a light sheen was reported in the area of Number 3 Separator, and on August 15, 2012, a wet weather sheen was reported in the Number 3 Separator area.

Other Point Breeze Spill Incidents and Sheens

N. Sunoco reported the following oil spill incidents at Point Breeze:

1. On January 26, 2012, January 27, 2012, February 1, 2012, February 3, 2012, and February 8, 2012, oil sheens and debris were released to the Schuylkill River due to the collapse of a historic pier into the river.

2. On September 17, 2012, during work at the historic pier collapse site, oil was released to the Schuylkill River.
- O. Sunoco also reported the following sheens:
1. On September 4, 2012 and September 5, 2012, Sunoco reported sheening on the river in the area of the Point Breeze Refinery bio-plant from an unknown source. A sheen coming out of the wall was reported on September 6, 2012.

Girard Point Industrial Waste Treatment Plant

P. Sunoco operated an industrial waste treatment plant at Girard Point under NPDES Permit No. PA0011533.

Q. The Girard Point Permit at "Other Requirements V" requires that where initial concentrations of TOC and Oil and Grease exceed permit limitations, Sunoco must to conduct additional sampling. Individual loading calculations for each day are required when this condition is in effect.

R. In August of 2011, TOC and Oil and Grease concentrations required the collection of additional samples. However, Sunoco failed to collect these additional samples.

S. Section 301 of the Clean Streams Law, 35 P.S. § 691.301, provides that "[n]o person or municipality shall place or permit to be placed or discharged or permit to flow, or continue to discharge or permit to flow, into any waters of the Commonwealth any industrial wastes, except as hereinafter provided in this act." Section 307(a) of the Clean Streams Law, 35 P.S. § 691.307(a), in part, provides that "[n]o person or municipality shall discharge or permit the discharge of industrial wastes in any manner, directly or indirectly, into any waters of the Commonwealth unless such discharge is authorized by the rules and regulations of the department or such person or municipality has first obtained a permit from the department."

T. Section 401 of the Clean Streams Law, 35 P.S. § 691.401, in part provides that "[i]t shall be unlawful for any person or municipality to put or place into any waters of the Commonwealth, or allow or permit to be discharged from the property owned or occupied by such person or municipality into any of the waters of the Commonwealth, any substance of any kind or character resulting in pollution as herein defined."

U. Section 2506 of the Fish and Boat Code, 30 Pa. C.S. § 2506, provides that the PFBC, as an agency of the Commonwealth authorized to regulate, control, manage and perpetuate fish, may bring civil actions on behalf of the Commonwealth for the value of any fish killed or any stream or stream bed destroyed or injured by disturbance of waterways or watersheds, littering, pollution, misuse of property and waters, or interference with hatchery or nursery waters.

V. The discharge of industrial waste into waters of the Commonwealth by Sunoco, as described in paragraphs F, G, H, J, L, N, and O herein, was not authorized by permit or regulation or are in violation of the Permit and thereby constitutes a violation of §§ 301 and 307 of the Clean Streams Law, 35 P.S. §§ 691.301 and 691.307.

W. The failure to sample as required by the Permit as described in Paragraph I is a violation of the Permit and thereby constitutes a violation of §§ 301 and 307 of the Clean Streams Law, 35 P.S. §§ 691.301 and 691.307.

X. These violations constitute unlawful conduct under Section 611 of the Clean Streams Law, 35 P.S. § 691.611; and subject Sunoco to a claim for civil penalties under Section 605 of the Clean Streams Law, 35 P.S. § 691.605.

Y. The acts or omissions described in the preceding paragraphs violate one or more provisions of Chapter 25 of the Fish and Boat Code, 30 Pa. C.S. Chapter 25, and subject Sunoco to a claim for civil damages under Section 2506 of the Fish and Boat Code, 30 Pa. C.S.A. § 2506.

After full and complete negotiation of all matters set forth in this CASA and upon mutual exchange of the covenants herein, the parties desiring to avoid litigation and intending to be legally bound, it is hereby **ASSESSED** by the Department and **AGREED** to by the PFBC and Sunoco as follows:

1.a **Assessment.** In resolution of the Department's claim for civil penalties, which the Department is authorized to pursue under Section 605 of the Clean Streams Law, 35 P.S. § 691.605, the Department hereby, assesses a civil penalty of **ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000)**, which Sunoco hereby agrees to pay.

1.b **Settlement.** In resolution of the PFBC's claim for civil damages, which the PFBC is authorized to pursue under Section 2506 of the Fish and Boat Code, 30 Pa. C.S. § 2506, the PFBC hereby accepts civil damages in the amount **FIFTY THOUSAND DOLLARS (\$50,000)**, which Sunoco hereby agrees to pay.

2. **Civil Penalty Settlement.** Upon signing this CASA, Sunoco shall pay the civil penalty assessed in paragraph 1.a. and 1.b. These payments are in settlement of the Department's claim for civil penalties and the PFBC's claim for civil damages for the violations set forth in paragraphs J and K, above, for the dates set forth in paragraphs F, G,H, and I, above. The payment of **\$150,000** shall be by corporate check or the like, made payable to "The Commonwealth of Pennsylvania, Clean Water Fund" and the additional payment of **\$50,000** shall be by corporate check or the like, made payable to "Pennsylvania Fish and Boat Commission." Both checks shall be sent to:

Mr. Stephen Piller
Compliance Specialist
PA Department of Environmental Protection
Southeast Regional Office
2 East Main Street
Norristown, PA 19401.

3. **Findings.**

(a) Sunoco agrees that the findings in paragraphs A through O are true and correct and, in any matter or proceeding involving Sunoco and the Department and/or the PFBC, Sunoco shall not challenge the accuracy or validity of these findings.

(b) The parties do not authorize any other persons to use the findings in this CASA in any matter or proceeding.

4. **Reservation of Rights.** The Department and the PFBC reserve all other rights with respect to any matter addressed by this CASA, including the right to require abatement of any conditions resulting from the events described in the Findings. Sunoco reserves the right to challenge any action which the Department may take, but waives the right to challenge the content or validity of this CASA.

IN WITNESS WHEREOF, the parties have caused this CASA to be executed by their duly authorized representatives. The undersigned representatives of Sunoco certify, under penalty of law, as provided by 18 Pa. C.S. § 4904, that they are authorized to execute this CASA on behalf of Sunoco; that Sunoco consents to the entry of this CASA as an **ASSESSMENT** of the Department and as a **SETTLEMENT of the PFBC**; that Sunoco hereby knowingly waives any right to a hearing under the statutes referenced in this CASA and that Sunoco knowingly waives his right to appeal this CASA, which rights may be available under Section 4 of the Environmental Hearing Board Act, the Act of July 13, 1988, P.L. 530, No. 1988-94, 35 P.S. § 7514; the Administrative Agency Law, 2 Pa. C.S. § 103(a) and Chapters 5A and 7A; or any other provision of law.

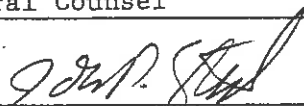
FOR SUNOCO, INC.(R&M):



Name Arnold Dodderer

General Counsel

Title:


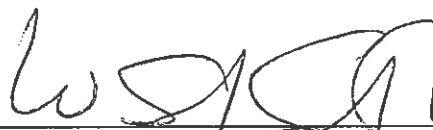


Name: John P. Steel

vice President

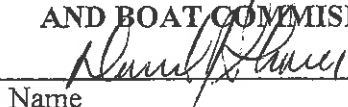
Title:

FOR THE COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL PROTECTION:


Jenifer Fields, P.E.
Regional Manager
Clean Water

Wm Stanley Sneath
Supervisory Counsel
Southeast Regional Counsel

FOR THE PENNSYLVANIA FISH AND BOAT COMMISSION


Name Daniel P. Hance
Waterways Conservation Officer

6-22-15
Date

Re 30 (GJE15CLW)029-7

Evergreen Assurance, LLC

Pennsylvania Fish & Boat Commission

CHECK DATE: 05/28/2015

CHECK NUMBER:

001114

INVOICE #	INVOICE DATE	DESCRIPTION	INVOICE AMOUNT	DISCOUNT	NET AMOUNT
See Attachment		Losses	50,000.00	0.00	50,000.00
TOTALS:			50,000.00	0.00	50,000.00

*S. Piller
CLW-GE*

**SOUTHEAST
REGION OFFICE**

JUN 25 2015

**PENNSYLVANIA
FISH & BOAT COMMISSION**

**SERO
RECEIVED**

JUN 05 2015

Evergreen Assurance, LLC
2 Righter Parkway, Suite 200
Wilmington DE 19803

Wells Fargo Bank, N.A.
P.O. Box 63020
San Francisco, CA 94163

11-24 1210 (8)

001114

FIFTY THOUSAND 0/100

PAY

05/28/2015

\$ 50,000.00

DATE

AMOUNT

TO THE
ORDER
OF

Pennsylvania Fish & Boat Commission

[Handwritten Signature]

AUTHORIZED SIGNATURE

Security features. Details on back.

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