

# Exhibit I

**COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

**In the Matter of:**

Sunoco Logistics Partners, L.P.	:	Industrial Waste
Upper Chichester Township	:	Violation of Clean Streams Law
Delaware County	:	

**CONSENT ASSESSMENT AND SETTLEMENT AGREEMENT**

This Consent Assessment and Settlement Agreement ("CASA") is entered into this 3<sup>rd</sup> day of October 2013, by and between the Commonwealth of Pennsylvania, Department of Environmental Protection ("DEP"), the Pennsylvania Fish and Boat Commission ("PFBC"), and Sunoco Logistics Partners, L.P. ("Sunoco").

DEP has found and determined the following:

A. DEP 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 Delaware Limited Partnership with local business offices at Fort Mifflin Terminal, 4 Hog Island Road, North Pier, Philadelphia, PA 19153.

C. Sunoco owns and operates the Twin Oaks Pump Station located at 144 Conchester Highway in Upper Chichester Township, Delaware County, PA ("Site").

D. On May 20, 2013, an improperly installed O-Ring on the cap of an in-line strainer on a gasoline transmission line at the Site failed, resulting in the release of approximately 225 gallons of gasoline to the ground surface, a portion of which reached an unnamed tributary to Marcus Hook Creek, a water of the Commonwealth. The spill resulted in fish mortality within the tributary; approximately 30 dead fish were observed. The incident was reported to the National Response Center by Sunoco but was not directly reported to DEP.

E. 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 streambed destroyed or injured by disturbance of waterways or watersheds, littering, pollution, misuse of property and waters, or interference with hatchery or nursery waters.

F. 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 “[D]epartment.”

G. Section 401 of the Clean Streams Law, 35 P.S. § 691.401, prohibits the discharge of any polluting substance into waters of the Commonwealth resulting in pollution.

H. The discharge of industrial waste into waters of the Commonwealth by Sunoco, as described in paragraph D herein, was not authorized by permit or regulation and thereby constitutes a violation of §§ 301 and 307 of the Clean Streams Law, 35 P.S. §§ 691.301 and 691.307.

I. The discharges of industrial waste into waters of the Commonwealth by Sunoco, as described in paragraph D herein, caused pollution and thereby constitute violations of Section 401 of the Clean Streams Law, 35 P.S. § 691.401.

J. Section 91.33(a) of the DEP’s Rules and Regulations, 25 Pa. Code § 91.33(a), states that “[i]f, because of an accident or other activity or incident, a toxic or taste and odor-producing substance or another substance, which would endanger downstream users of the waters of this Commonwealth, would otherwise result in pollution or create a danger of pollution of the waters, or would damage property, is discharged into these waters including sewers, drains, ditches or other channels of conveyance into the waters or is so placed that it might discharge, flow, be washed or fall into them, it shall be the responsibility of the person or municipality at the time in charge of the substance or owning or in possession of the premises, facility, vehicle or vessel from or on which the substance is discharged or placed to forthwith notify the Department by telephone of the location and nature of the danger and, if reasonably possible to do so, to notify downstream users of the waters.”

K. Sunoco’s failure to immediately report the May 20, 2013, incident to DEP is a violation of 25 Pa. Code Section 91.33(a).

L. Section 91.34(a) of the DEP's Rules and Regulations, 25 Pa. Code § 91.34(a), states: "Persons engaged in an activity which includes the impoundment, production, processing, transportation, storage, use, application or disposal of pollutants shall take necessary measures to prevent the substances from directly or indirectly reaching waters of this Commonwealth, through accident, carelessness, maliciousness, hazards of weather or from another cause."

M. Sunoco's failure to take appropriate measures to prevent the release of a polluting substance from being released to waters of the Commonwealth is a violation of 25 Pa. Code Section 91.34(a).

N. The violations described in paragraphs H, I, K, and M 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.

O. The acts or omissions described in the preceding paragraphs H, I, K, and M 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 DEP and PFBC and **AGREED** to by Sunoco as follows:

1a. **Assessment.** In resolution of DEP's claim for civil penalties, which DEP is authorized to pursue under Section 605 of the Clean Streams Law, 35 P.S. § 691.605, DEP hereby, assesses a civil penalty of **FOURTEEN THOUSAND SEVEN HUNDRED FORTY-TWO DOLLARS (\$14,742)**, which Sunoco hereby agrees to pay.

1b. **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 of **TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500)**, which Sunoco hereby agrees to pay.

2. **Civil Penalty Settlement.** Upon signing this CASA, Sunoco shall pay the civil penalty assessed in paragraphs 1a and 1b. These payments are in settlement of DEP's claim for civil penalties and the PFBC's claim for civil damages for the violations set forth in paragraphs H, I, K, and M, above,

for the date set forth in paragraph D, above. The payment of \$14,742 shall be by corporate check or the like, made payable to "The Commonwealth of Pennsylvania, Clean Water Fund," and the additional payment of \$2,500 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 G, J, and L are true and correct and, in any matter or proceeding involving Sunoco and DEP 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.** DEP 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 DEP 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 DEP 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 LOGISTICS  
PARTNERS, L.P.:**

**FOR THE COMMONWEALTH OF  
PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL  
PROTECTION:**

  
Name: D.R. CARLSON

  
Jennifer Fields, P.E.  
Regional Manager  
Clean Water


V.P. OPERATIONS  
Title:

  
William H. Gelles  
Assistant Counsel  
Southeast Regional Office

  
Name:

**FOR THE PENNSYLVANIA FISH AND  
BOAT COMMISSION:**

WCO  
Title:

 10/16/13  
Name Date  
Waterways Conservation Officer

Re 30 (GJS13CLW)196-6a

SUNOCO, INC. (R&M)

17-1-13

PAYEE NAME PENNSYLVANIA FISH AND BOAT	PAYEE NO. PENFIAOO	PAYMENT DATE 09-12-2013	PAYMENT NO. 6002923110	CONTROL NO. 00000023
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CONTROL NUMBER	DATE	APPL AREA	INVOICE NO.	GROSS AMOUNT	DISCOUNT AMOUNT	NET AMOUNT
1949	09-11-13	CA	CHK38890	2,500.00	.00	2,500.00
FISH & BOAT PENALTY - TWIN OAKS PUMP STATION				2,500.00	.00	2,500.00

CLW-KR  
Pilled

FOR INQUIRIES, SEE REVERSE SIDE

FPCHKP

ADDRESS CHANGE INFORMATION  
PAYEE NUMBER: PENFIAOO

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

IF YOUR ADDRESS HAS CHANGED, PLEASE DETACH AND RETURN TO THE ADDRESS BELOW

CLW-KR



SUNOCO, INC. (R&M) 00023  
 SUITE LL 11TH FL 29110  
 1735 MARKET STREET 00023  
 PHILADELPHIA, PA 19103-7583

VENDOR PAYMENT

PAYMENT DATE 09-12-2013  
 PAYMENT NO. 6002923110

Wachovia Bank of Delaware National Association

PAY TO THE ORDER OF:

PAY EXACTLY

\$\*\*\*\*\*2,500.00

PENNSYLVANIA FISH AND BOAT  
 COMMISSION  
 2 EAST MAIN STREET  
 NORRISTOWN PA 19401

*Marta Gulim*  
 AUTHORIZED SIGNATURE

SE-99-7-13  
 SE-45-13