

UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

UNITED STATES of AMERICA,	)	
	)	
Plaintiff, and the	)	
	)	
NORTHWEST AIR POLLUTION	)	
AUTHORITY of the STATE OF	)	
WASHINGTON	)	
Plaintiff-Intervener,	)	
	)	
v.	)	Civil Action
	)	No. H-01-0978
EQUILON ENTERPRISES LLC,	)	Honorable Melinda Harmon
	)	
Defendant.	)	
_____	)	

**THIRD ADDENDUM TO CONSENT DECREE**

WHEREAS, the United States of America (hereinafter “the United States”), the Northwest Clean Air Agency (formerly Northwest Air Pollution Authority) of the State of Washington, and Equilon Enterprises LLC (“Equilon,” doing business as Shell Oil Products US) are parties to a Consent Decree entered by this Court on August 20, 2001, and amended on May 29, 2002, and January 19, 2006 (hereinafter “the Consent Decree”); and

WHEREAS, Tesoro Refining and Marketing Company (hereinafter “Tesoro”) has purchased certain refinery assets from Equilon, which assets are covered by the Consent Decree and located in Los Angeles, California (hereinafter the “Los Angeles Refinery”).

WHEREAS, Tesoro has assumed the obligations, rights and benefits, and agreed to be bound by the terms and conditions of the Consent Decree as it pertains to the Los Angeles Refinery; and

WHEREAS, each of the undersigned has reviewed and hereby consents to this Third Addendum; and

NOW THEREFORE, the United States, Equilon, Big West of California LLC. (hereinafter "Big West"), and Tesoro hereby agree that, upon approval of this Third Addendum by the Court, the Consent Decree shall thereby be amended as follows:

1. In accordance with Paragraph 3 of the Consent Decree, Tesoro, by its purchase of the Los Angeles Refinery, assumes the obligations and liabilities, and secures the rights and benefits, of the Consent Decree as it pertains to the Los Angeles Refinery.

2. Except as provided herein, upon entry of this Addendum, Equilon is released from its obligations and liabilities but retains all rights and benefits under the Consent Decree as it pertains to the Los Angeles Refinery.

3. In no event shall Tesoro bear any liability under the Consent Decree pertaining to the Bakersfield Refinery, Martinez Refinery or Puget Sound Refinery.

4. Paragraph 4 of the Consent Decree is deleted and restated in its entirety to read as follows:

4. Equilon owns and operates two (2) petroleum refineries, and Big West and Tesoro each own and operate one (1) petroleum refinery covered by this Consent Decree for the manufacture of various petroleum-based products, including gasoline, diesel and jet fuels, and other marketable petroleum by-products.

5. Paragraph 5 is deleted and restated in its entirety to read as follows:

5(a). Equilon owns and operates refineries located as follows:  
Martinez, California  
Puget Sound, Washington

Equilon also owned and operated the Lubes units covered by this Consent Decree that are located in Deer Park, Texas, which Lubes units were conveyed to Deer Park Refining LP effective as of July 1, 2003.

5(b). Big West owns and operates a refinery located in Bakersfield, California.

5(c). Tesoro owns and operates a refinery located in Los Angeles, California.

**A. Section IV. Reductions of NO<sub>x</sub> Emissions From Fluid Catalytic Cracking Units (“FCCUs”)**

1. In its quarterly reports submitted pursuant to this Consent Decree, Equilon has reported that its obligations set forth in paragraphs 17, 18, 19, 20, 21, 22 and 29 of the Consent Decree have been completed by Equilon as they pertain to the Los Angeles Refinery. Equilon has reported that it believes that no further action is required by Equilon or Tesoro with respect to these provisions.

2. EPA has determined and notified Equilon of the NO<sub>x</sub> concentration limits and averaging times for the Los Angeles FCCU as set forth in paragraphs 24 and 25, and Equilon has reported that it has incorporated these limits into applicable federally enforceable permits in accordance with paragraph 155. Tesoro will operate the FCCU to comply with the established NO<sub>x</sub> emission limits and will demonstrate compliance as required by paragraphs 25, 26, 27 and 28 of the Consent Decree as these provisions pertain to the Los Angeles Refinery.

**B. Section IV. Reductions of SO<sub>2</sub> Emissions From FCCUs**

1. In its quarterly reports submitted pursuant to this Consent Decree, Equilon has reported that its obligations set forth in paragraphs 36, 37, 38, 39, 40 and 41 of the Consent Decree have been completed by Equilon as they pertain to the Los Angeles Refinery. Equilon has reported that no further action is required by Equilon or Tesoro with respect to these provisions.

2. EPA has determined and notified Equilon of the SO<sub>2</sub> concentration limits and averaging times for the Los Angeles FCCU as set forth in paragraphs 42 and 43, and Equilon reported in its quarterly reports submitted pursuant to this Consent Decree that it has incorporated these limits into applicable federally enforceable permits in accordance with paragraph 155. Tesoro will operate the FCCU to comply with the established SO<sub>2</sub> emission limits and will demonstrate compliance as required by paragraphs 43, 44, 45 and 46 of the Consent Decree as these provisions pertain to the Los Angeles Refinery.

3. In its quarterly reports submitted pursuant to this Consent Decree, Equilon has reported that the Los Angeles Refinery FCCU regenerator became subject to the requirements of NSPS Subpart A and J by the dates specified for each pollutant in paragraph 47(a) of the Consent Decree and has reported that it has incorporated NSPS J applicability into applicable federally enforceable permits in accordance with paragraph 155. Equilon conducted performance testing as required in paragraph 47(c) and reported these results by letter to EPA on January 29, 2007. Equilon has reported that no further action is required by Equilon or Tesoro with respect to these provisions.

**C. Section VI. Program Enhancements Re: Benzene Waste NESHAP**

1. In its quarterly reports submitted pursuant to this Consent Decree, Equilon has reported that the obligations set forth in paragraphs 50, 52, 53, 57, 65, 73, 76, 82, 83, 85 and 86 (Benzene Waste NESHAP) of the Consent Decree have been completed by Equilon as they pertain to the Los Angeles Refinery. Equilon has reported that no further action is required by Equilon or Tesoro with respect to these provisions.

2. Equilon has submitted the final report of the audit of the program at the Los Angeles Refinery required pursuant to Paragraph 50 and Equilon completed the corrective action pursuant to Paragraph 51 that is required as a result of that audit. Equilon submitted, and EPA approved, its certification of compliance for the Los Angeles Refinery and the Bakersfield Refinery in accordance with new Paragraph 51(b).

**D. Section VII. Program Enhancements Re: Leak Detection and Repair**

1. A new Paragraph 99(c) shall be added to the Consent Decree:

99(c). Tesoro shall conduct an external audit of the LDAR program at the Los Angeles Refinery at least once every four (4) years for the life of this Consent Decree, with the next audit due on or before December 31, 2013.

2. Paragraph 100(b) (alternative audits) of the Consent Decree shall be deleted and restated to read as follows:

100(b). Alternative. As an alternative to the internal audits required by Paragraph 100(a), 100(c) or 100(d), as applicable, Equilon, Big West or Tesoro may elect to perform external audits instead, provided that an audit of each refinery occurs every two (2) years.

3. Paragraph 100(c) shall be deleted and restated to read as follows:

100(c). Big West shall conduct internal audits of the Bakersfield Refinery's LDAR program according to Paragraphs 100(a) and 100(b). These audits shall be conducted by the personnel familiar with the LDAR Program and its requirements from a refinery operated by an affiliate of Big West. The next of these internal LDAR audits shall be commenced no later than August 1, 2005, and held every four years thereafter for the life of this Consent Decree.

4. A new Paragraph 100(d) shall be added to the Consent Decree, to read as follows:

100(d). Tesoro shall conduct internal audits of the Los Angeles Refinery's LDAR program according to Paragraphs 100(a) and 100(b). These audits shall be conducted by the personnel familiar with the LDAR Program and its requirements from one or more of the refineries operated by Tesoro. The next of these internal LDAR audits shall be commenced no later than June 30, 2011, and conducted by the end of the calendar year every four years thereafter for the life of this Consent Decree.

5. In its quarterly reports submitted pursuant to this Consent Decree, Equilon has

reported that the obligations set forth in Paragraphs 96, 97, and 98 and subparagraphs 119(b) - 119(h) (First Progress Reports) of the Consent Decree have been completed by Equilon as they pertain to the Los Angeles Refinery. Equilon has reported that no further action is required by either Equilon or Tesoro with respect to these provisions.

**E. Section VIII. Program Enhancements Re: NSPS Subparts A and J SO<sub>2</sub> Emissions from Sulfur Recovery Plants (“SRP”) and Flaring**

1. Equilon has not yet met the obligations set forth in Paragraph 121(a) (Refinery Flare Audits) relative to the Los Angeles Refinery, and such obligations shall remain binding on Equilon except to the extent specific obligations are to be assumed by Tesoro as set forth in the revised paragraph 121(a) as below.

2. Paragraph 121(a) shall be restated in its entirety to read as follows:

121(a). By no later than June 30, 2001, Equilon shall develop and submit for EPA approval a protocol for audits of pre-1973 refinery flares, including the following:

Bakersfield (CA): Area 2 (74y-3) and Area 2 (74y-4);

Martinez Refinery (CA): LOP and LPG;

Puget Sound Refinery (WA): East, North, and South.

Equilon shall begin the audits by September 30, 2001. Within 30 days of completing each audit, Equilon shall submit the audit results to EPA and identify the flares for which it will accept NSPS Subpart J applicability.

For the Los Angeles Refinery (CA): SRP and Main Plant #1 and #2, by 30 days after entry of this Third Addendum by the Court, Tesoro shall develop and submit for EPA approval a protocol for auditing the Los Angeles Refinery flares, which may either be a new protocol or a revision of the NSPS Subpart J audit protocol approved by EPA on March 12, 2003. Tesoro shall conduct the NSPS Subpart J audit of the SRP, and Main Plant #1 and #2 flares upon receipt of EPA approval of the protocol. Within 30 days of completing the audit, Tesoro shall submit the

audit results to EPA and identify the flares for which it will accept NSPS Subpart J applicability

(i) With respect to the Martinez and Puget Sound Refineries: Equilon shall propose a schedule with the audit results for achieving compliance with Subpart J, to the extent necessary. Equilon shall submit notifications to EPA required by 40 C.F.R. § 60.7 when it has achieved compliance for each particular flare. Equilon's release for liability for each particular flare for violations of NSPS Subpart J under Part XV (Effect of Settlement) shall be contingent upon receipt of Equilon's certification of compliance hereunder.

(ii) With respect to the Bakersfield Refinery flares: Within sixty (60) days of Equilon's submission of the audit results for the Bakersfield Refinery, Big West shall submit any required proposed schedule of compliance. In such case, if required, Big West shall submit to EPA a notification required by 40 C.F.R. § 60.7 when it has achieved compliance for each particular flare pursuant to such proposed schedule. The notification shall be included in Big West's next semi-annual report following compliance, as required under Part X. Big West's release for liability for each particular flare for violations of NSPS Subpart J under Part XV (Effect of Settlement) shall be contingent upon receipt of Big West's certification of compliance hereunder.

(iii) With respect to the Los Angeles Refinery flares: Within sixty (60) days of Tesoro's submission of the audit results for the Los Angeles Refinery, Tesoro shall submit any required proposed schedule of compliance. In such case, if required, Tesoro shall submit to EPA a notification required by 40 C.F.R. § 60.7 when it has achieved compliance for each particular flare pursuant to such proposed schedule. The notification shall be included in Tesoro's next semi-annual report following compliance, as required under Part X. Tesoro's release for liability for each particular flare for violations of NSPS Subpart J under Part XV (Effect of Settlement) shall be contingent upon receipt of Tesoro's certification of compliance hereunder.

3. In its quarterly reports submitted pursuant to this Consent Decree, Equilon has reported that the obligations set forth in paragraphs 123 (Rerouting of SRP Sulfur Pit Emissions), and 127 through 129 (Past Flaring Analysis and Corrective Action) of the Consent Decree have been completed by Equilon as they pertain to the Los Angeles Refinery. Equilon has reported that no further action is required by Equilon or Tesoro with respect to these provisions.

4. Paragraph 151 is amended by replacing the first sentence with the following:

151. Equilon shall be liable to pay all stipulated penalties for violations of the requirements of this part. However, if any AG Flaring Incident or Tail Gas Incident occurs at the Bakersfield Refinery after the date of transfer of ownership of the Bakersfield Refinery (“Bakersfield Closing Date”), Big West shall instead be responsible for any applicable stipulated penalties. Similarly, if any AG Flaring Incident or Tail Gas Incident occurs at the Los Angeles Refinery after the date of transfer of ownership of the Los Angeles Refinery (“Los Angeles Closing Date”), Tesoro shall instead be responsible for any applicable stipulated penalties. Further, Equilon shall continue to be liable for any AG Flaring Incident or Tail Gas Incident associated with any incident or event that occurred before the applicable Closing Date or which continued subsequent to the applicable Closing Date. Equilon shall also be liable for any requirements set forth in this Section associated with any AG Flaring Incident or Tail Gas Incident that occurred before the applicable Closing Date or which continued subsequent to the applicable Closing Date. Notwithstanding the above, Big West or Tesoro, as appropriate, shall be liable for any applicable stipulated penalty for any failure to perform required Corrective Action(s) to be completed after the applicable Closing Date for incidents occurring prior to the applicable Closing Date, or for any failure to submit a report after all such Corrective Action(s) has been completed, as required pursuant to Paragraph 136(f)(5), to the extent Equilon identified such Corrective Action(s) within its Flaring Incident Reports submitted to EPA pursuant to Paragraph 136 prior to the applicable Closing Date, and to the further extent that the schedules identified in the Flaring Incident Reports provided for such Corrective Action(s) to be completed after the applicable Closing Date.

**F. Section IX. Permitting**

1. In its quarterly reports submitted pursuant to this Consent Decree, Equilon has reported that the obligations set forth in Paragraphs 154, 155 and 156 of the Consent Decree have been completed by Equilon as they pertain to the Los Angeles Refinery. Equilon has reported that no further action is required by either Equilon or Tesoro with respect to these provisions.

**G. Section X. General Recordkeeping, Record Retention and Reporting**



1. Paragraph 158 of Part X, General Recordkeeping, Record Retention and Reporting, shall be deleted and restated in its entirety to read as follows:

158A. Equilon, Tesoro and Big West shall submit semi-annual reports to EPA and the appropriate Plaintiff-Intervener. Semi-annual reports shall be submitted by August 31 (covering the period from January 1 to June 30) and February 28 (covering the period from July 1 to December 31). In the semi-annual report required to be submitted on August 31 of each year for each Refinery, Equilon, Tesoro, and Big West will provide a summary of annual emissions data for the prior calendar year for their respective refinery (refineries), to include:

- (a) NO<sub>x</sub> emissions in tons per year for each heater and boiler greater than 40 mmBTU/hr maximum fired duty;
- (b) NO<sub>x</sub> emission in tons per year as a sum for all heaters and boilers less than 40 mmBTU/hr maximum fired duty;
- (c) SO<sub>2</sub>, CO and PM emissions in tons per year as a sum for all heaters and boilers;
- (d) NO<sub>x</sub>, SO<sub>2</sub>, CO and PM emissions in tons per year for each FCCU;
- (e) SO<sub>2</sub> emissions in tons per year from all Sulfur Recovery Plants;
- (f) SO<sub>2</sub> emissions in tons per year from all acid gas flaring and tail gas incidents;
- (g) NO<sub>x</sub>, SO<sub>2</sub>, PM and CO emissions in tons per year as a sum at each Refinery for all other emissions units for which emissions information is required to be included in the Refinery's annual emissions summaries and are not identified above; and
- (h) for each of the estimates in (a) through (d) above, the basis for the emissions estimate or calculation (i.e., stack tests, CEMS, emission factor, etc.).

To the extent that the required emissions summary data is available in other reports generated by Equilon, Tesoro or Big West, such other reports can be attached, or the appropriate information can be extracted from such other reports and attached to the semi-annual report to satisfy the requirement. Any time during the life of the Consent Decree, Equilon, Tesoro, or Big West may submit a request to EPA to terminate the requirements of this Paragraph as it applies to its refinery (refineries), and if EPA approves, the company shall no longer be required to provide this additional information.

158B. In addition to any other information specifically required to be submitted per other Sections of this Consent Decree, Equilon, Tesoro, and Big West each shall include in their semi-annual reports the following:

- (a) progress report on the implementation of the requirements of Parts IV-IX (Compliance Programs);
  - (b) a summary of all Hydrocarbon Flaring Incidents;
  - (c) a description of any problems anticipated with respect to meeting the Compliance Programs of Parts IV-IX of this Consent Decree; and
  - (d) a summary of all exceedances of emission limits required or established by this Consent Decree, which will include:
    - (i) for operating units emissions limits that are required by the Consent Decree and monitored with CEMS or PEMS, for each CEMS or PEMS:
      - (A) total period during which the emissions limit was exceeded, if applicable, expressed as a percentage of operating time for each calendar quarter;
      - (B) where the operating unit has exceeded the emissions limit more than 1% of the total time of the calendar quarter, identification of each averaging period that exceeded the limit by time and date, the actual emissions of that averaging period (in the units of the limit) and any identified cause for the exceedance, and, if it was a malfunction, an explanation and any corrective actions taken;
      - (C) total downtime of the CEMS or PEMS, if applicable, expressed as a percentage of operating time for the calendar quarter;
      - (D) where the CEMS or PEMS downtime is greater than 5% of the total time in a calendar quarter for a unit, identify the periods of downtime by time and date, and any identified cause of the downtime (including maintenance or malfunction), and, if it was a malfunction, an explanation and any corrective action taken.
      - (E) if a report filed pursuant to another applicable legal requirement contains all of the information required by this Subparagraph in similar or same format, the requirements of this Subparagraph may be satisfied by attaching a copy of such report.
    - (ii) for any exceedance of an emissions limit required by the Consent Decree from an operating unit monitored through stack testing:
      - (A) a summary of the results of the stack test in which the exceedance occurred;
      - (B) a copy of the full stack test report in which the exceedance occurred;
      - (C) to the extent that Equilon, Tesoro, or Big West has already submitted the stack test results, the company need not resubmit them, but may instead reference the submission in the report (e.g., date, addressee, reason for submission).
2. Paragraph 159 of Part XI, General Recordkeeping, Record Retention and

Reporting, shall be deleted and restated in its entirety to read as follows:

159. The semi-annual report shall be certified by a refinery manager or company official responsible for environmental management and compliance at the refineries covered by the report, as follows:

“I certify under penalty of law that this information was prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my directions and my inquiry of the person(s) who manage the system, or the person(s) directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete.”

#### **H. Section XI. Stipulated Penalties**

1. Paragraph 160 shall be deleted and restated in its entirety to read as follows:

160. Equilon, Tesoro or Big West, as applicable, shall pay stipulated penalties to the United States and if applicable, the Plaintiff-Intervener with jurisdiction over the subject refinery, as appropriate (split 50 percent to each), for each failure by the respective Company to comply with the terms of this Consent Decree applicable to such Company; provided however, that in no event shall Equilon be responsible for stipulated penalties for any matter concerning the Los Angeles or Bakersfield Refineries related to actions or omissions occurring after the respective date of transfer of the refinery, provided also however, that in no event shall Big West be responsible for stipulated penalties for any matter concerning the Los Angeles, Martinez, and Puget Sound Refineries, nor for any matter concerning the Bakersfield Refinery related to actions or omissions first occurring prior to the date of transfer; provided also however, that in no event shall Tesoro be responsible for stipulated penalties for any matter concerning the Bakersfield, Martinez, and Puget Sound Refineries, nor for any matter concerning the Los Angeles Refinery related to actions or omissions first occurring prior to the date of transfer; and provided further, that the United States or Plaintiff-Intervener, as appropriate, may elect to bring an action for contempt in lieu of seeking stipulated penalties for violations of this Consent Decree.

#### **I. Section XVI. General Provisions**

1. Paragraph 194 shall be further amended to include the following information:

As to Tesoro:

Rob Gronewold  
Managing Director, Corporate Environmental Affairs  
Tesoro Companies, Inc.  
19100 Ridgewood Parkway  
San Antonio, TX 78259

Stoney K. Vining, Esq.  
Tesoro Companies, Inc.  
19100 Ridgewood Parkway  
San Antonio, TX 78259

As to Equilon:

Michael P. Gallagher  
Regional Manager, HSSE Americas  
Shell Oil Products US  
910 Louisiana Street  
Houston, TX 77002

---

[m](#)

As to Big West:

Melinda Hicks  
Health, Safety & Environmental Manager  
Big West of California, LLC  
6451 Rosedale Highway  
P.O. Box 1132  
Bakersfield, CA 93302

As to the U.S. EPA:

Director, Air Enforcement Division (2242A)  
Office of Civil Enforcement  
U.S. Environmental Protection Agency  
1200 Pennsylvania Ave., N.W.  
Washington, D.C. 20004

And an electronic copy to :

Director, Air Enforcement Division  
Office of Civil Enforcement  
U.S. Environmental Protection Agency  
c/o Matrix New World Engineering, Inc.

2. Paragraph 195 shall be deleted and replaced in its entirety with:

**195. Approvals.** All EPA approvals will be made in writing. All Plaintiff-Intervener approvals will be sent from the offices identified in Paragraph 194 (Notice).

3. Paragraph 199 shall be deleted and restated in its entirety to read as follows:

199. Modification. The Consent Decree contains the entire agreement of the Parties and shall not be modified by any prior oral or written agreement, representation or understanding. Prior drafts of the Consent Decree shall not be used in any action involving the interpretation or enforcement of the Consent Decree.

a. Material modifications to this Consent Decree with respect to the Martinez or Puget Sound Refineries, shall be in writing, signed by Equilon, U.S. Environmental Protection Agency, the Department of Justice, and the applicable State agency but not by Tesoro or Big West, and shall be effective upon approval by the Court. Material modifications to this Consent Decree with respect to the Bakersfield Refinery shall be in writing, signed by Big West, U.S. Environmental Protection Agency, the Department of Justice, but not by Tesoro or Equilon, and shall be effective upon approval by the Court. Material modifications to this Consent Decree with respect to the Los Angeles Refinery shall be in writing, signed by Tesoro, U.S. Environmental Protection Agency, the Department of Justice, but not by Big West or Equilon, and shall be effective upon approval by the Court.

b. Non-material modifications to this Consent Decree with respect to the Martinez Refinery or Puget Sound Refinery shall be effective upon signature by the Parties, in writing, signed by Equilon, U.S. Environmental Protection Agency, the Department of Justice, and the applicable State agency, but not by Big West or Tesoro, but need not be filed with the Court. Non-material modifications to this Consent Decree with respect to the Bakersfield Refinery shall be effective upon signature by the Parties, in writing, signed by Big West, U.S. Environmental Protection Agency, and the Department of Justice, but not by Tesoro or Equilon, but need not be filed with the Court. Non-material modifications to this Consent Decree with respect to the Los Angeles Refinery shall be effective upon signature by the Parties, in writing, signed by Tesoro, U.S. Environmental Protection Agency, and the Department of Justice, but not by Big West or Equilon, but need not be filed with the Court. The United States will file nonmaterial modifications with the Court on a periodic basis. For purposes of this Paragraph, non-material modifications include but are not limited to, modifications to the frequency of reporting obligations and modifications to schedules that do not extend the

date for compliance with emissions limitations following the installation of control equipment or the completion of a catalyst additive program, provided that such changes are agreed upon in writing between EPA and Tesoro, Big West, or Equilon, as appropriate.

**J. Section XVII. Termination**

Paragraph 202 of the Consent Decree shall be deleted and restated in its entirety to read as follows:

202(a). All provisions of this Consent Decree applicable to Equilon shall be subject to termination upon motion by the United States, the Northwest Clean Air Agency or Equilon after the Company satisfies all requirements of this Consent Decree applicable to Equilon. The requirements for termination for Equilon, as to the Martinez and Puget Sound Refineries, include payment of all stipulated penalties that may be due to the United States and the Northwest Clean Air Agency (as applicable) under this Consent Decree, installation of control technology systems as specified herein, the performance of all other consent decree requirements, the receipt of all permits specified herein, and EPA's receipt of the first semi-annual progress report following the conclusion of Equilon's operation for at least one year of all units in compliance with the emission limits established herein, all with respect to the Martinez and Puget Sound Refineries. The requirements for termination for Equilon as to the Bakersfield Refinery and Los Angeles Refinery under this Addendum include payment of any stipulated penalties that may be due to the United States. At such time, if Equilon believes that it is in compliance with the applicable requirements of this Consent Decree and the relevant permits specified herein, and has paid any stipulated penalty required of Equilon by this Consent Decree, then Equilon shall so certify to the United States and the Northwest Clean Air Agency and, unless the United States or the Northwest Clean Air Agency objects in writing with specific reasons within 120 days of receipt of the certification, the Court shall order the provisions of this Consent Decree applicable to Equilon be terminated on Equilon's motion. If the United States or the Northwest Clean Air Agency objects to Equilon's certification, then the matter shall be submitted to the Court for resolution under Part XIV (Dispute Resolution) of this Consent Decree. In such case, Equilon shall bear the burden of proving that the relevant provisions of this Consent Decree shall be terminated.

202(b). All provisions of this Consent Decree applicable to Big West shall be subject to termination upon motion by the United States or Big West after Big West satisfies all requirements of this Consent Decree applicable to Big West. The requirements for termination for Big West, as to the Bakersfield Refinery, include payment of all stipulated penalties that may be due from Big West to the United States under this Consent Decree, the performance of all other consent decree requirements, the receipt of all permits specified herein, and EPA's receipt

of the first semi-annual progress report following the conclusion of Big West's operation for at least one year of all units in compliance with any emission limits established herein, all only with respect to the Bakersfield Refinery. At such time, if Big West believes that it is in compliance with the applicable requirements of this Consent Decree and the relevant permits specified herein, and has paid any stipulated penalty required of Big West by this Consent Decree, then Big West shall so certify to the United States, and unless the United States objects in writing with specific reasons within 120 days of receipt of the certification, the Court shall order the provisions of this Consent Decree applicable to Big West be terminated on Big West's motion. If the United States objects to Big West's certification, then the matter shall be submitted to the Court for resolution under Part XIV (Dispute Resolution) of this Consent Decree. In such case, Big West shall bear the burden of proving that the relevant provisions of this Consent Decree shall be terminated.

202(c). All provisions of this Consent Decree applicable to Tesoro shall be subject to termination upon motion by the United States or Tesoro after Tesoro satisfies all requirements of this Consent Decree applicable to Tesoro. The requirements for termination for Tesoro, as to the Los Angeles Refinery, include payment of all stipulated penalties that may be due from Tesoro to the United States under this Consent Decree, the performance of all other consent decree requirements, the receipt of all permits specified herein, and EPA's receipt of the first semi-annual progress report following the conclusion of Tesoro's operation for at least one year of all units in compliance with any emission limits established herein, all only with respect to the Los Angeles Refinery. At such time, if Tesoro believes that it is in compliance with the applicable requirements of this Consent Decree and the relevant permits specified herein, and has paid any stipulated penalty required of Tesoro by this Consent Decree, then Tesoro shall so certify to the United States, and unless the United States objects in writing with specific reasons within 120 days of receipt of the certification, the Court shall order the provisions of this Consent Decree applicable to Tesoro be terminated on Tesoro's motion. If the United States objects to Tesoro's certification, then the matter shall be submitted to the Court for resolution under Part XIV (Dispute Resolution) of this Consent Decree. In such case, Tesoro shall bear the burden of proving that the relevant provisions of this Consent Decree shall be terminated.

So entered in accordance with the foregoing this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

---

Melinda Harmon  
United States District Court Judge  
Southern District of Texas

## **SIGNATORIES**

Each of the undersigned representatives certifies that he or she is fully authorized to enter into the Third Addendum to Consent Decree on behalf of such Parties, and to execute and to bind such Parties to this Third Addendum. This Third Addendum to Consent Decree may be signed in counterparts.



WE HEREBY CONSENT to the entry of the Third Addendum to Consent Decree entered in the matter of *United States, et al. v. Equilon Enterprises LLC*, Civil No. H-01-0978, subject to the public notice and comment requirements of 28 C.F.R. § 50.7.

FOR PLAINTIFF UNITED STATES OF AMERICA:

Date: \_\_\_Nov. 14, 2010\_\_\_\_\_

\_\_\_\_\_/s/ Ignacia S. Moreno\_\_\_\_\_  
IGNACIA S. MORENO  
Assistant Attorney General  
Environment and Natural Resources Division  
U.S. Department of Justice

Date: \_\_\_\_\_

\_\_\_\_\_/s/ Robert D. Brook\_\_\_\_\_  
ROBERT D. BROOK  
Assistant Section Chief  
Environmental Enforcement Section  
Environment and Natural Resources Division  
U.S. Department of Justice  
P.O. Box 7611  
Washington, D.C. 20044  
(202) 514-2738 (phone)

v  
38

Date: \_\_\_Nov. 23, 2010\_\_\_\_\_

\_\_\_\_\_/s/ John Fogarty\_\_\_\_\_  
JOHN FOGARTY  
Special Appointment as a Department of Justice  
Attorney  
Environmental Enforcement Section  
Environment and Natural Resources Division  
U.S. Department of Justice  
P.O. Box 7611  
Washington, D.C. 20044-7611  
(202) 564-8865 (phone)  
(202) 564-0015 (fax)

ov

JOSÉ ANGEL MORENO  
United States Attorney  
Southern District of Texas

WE HEREBY CONSENT to the entry of the Third Addendum to Consent Decree entered in the matter of *United States, et al. v. Equilon Enterprises LLC*, Civil No. H-01-0978, subject to the public notice and comment requirements of 28 C.F.R. § 50.7.

FOR PLAINTIFF THE U.S. ENVIRONMENTAL  
PROTECTION AGENCY:

Date: May 10, 2010

/s/ Pamela J. Mazakas for  
ADAM M. KUSHNER  
Director, Office of Civil Enforcement  
Office of Enforcement and Compliance  
Assurance  
U.S. Environmental Protection Agency

WE HEREBY CONSENT to the entry of the Third Addendum to Consent Decree entered in the matter of *United States, et al. v. Equilon Enterprises LLC*, Civil No. H-01-0978, subject to the public notice and comment requirements of 28 C.F.R. § 50.7.

FOR PLAINTIFF THE NORTHWEST CLEAN  
AIR AGENCY OF THE STATE OF  
WASHINGTON:

Date: April 8, 2010

/s/ Laughlan H. Clark  
LAUGHLAN H. CLARK  
Zender Thurston, P.S.  
1700 D Street  
P. O. Box 5226  
Bellingham, WA 98227

WE HEREBY CONSENT to the entry of the Third Addendum to Consent Decree entered in the matter of *United States, et al. v. Equilon Enterprises LLC*, Civil No. H-01-0978, subject to the public notice and comment requirements of 28 C.F.R. § 50.7.

FOR DEFENDANT EQUILON ENTERPRISES  
LLC:

Date: Dec. 21, 2009

/s/ Michael P. Gallagher  
MICHAEL P. GALLAGHER  
HSSE Manager, Americas  
Shell Oil Products US  
910 Louisiana Street  
Houston, TX 77002

WE HEREBY CONSENT to the entry of the Third Addendum to Consent Decree entered in the matter of *United States, et al. v. Equilon Enterprises LLC*, Civil No. H-01-0978, subject to the public notice and comment requirements of 28 C.F.R. § 50.7.

FOR DEFENDANT TESORO REFINING AND  
MARKETING COMPANY:

Date: May 3, 2010

/s/ Franklin R. Wheeler  
FRANKLIN R. WHEELER  
Vice President, Refining  
Tesoro Refining and Marketing Company  
19100 Ridgewood Parkway  
San Antonio, TX 78259

WE HEREBY CONSENT to the entry of the Third Addendum to Consent Decree entered in the matter of *United States, et al. v. Equilon Enterprises LLC*, Civil No. H-01-0978, subject to the public notice and comment requirements of 28 C.F.R. § 50.7.

FOR DEFENDANT BIG WEST OF  
CALIFORNIA, LLC:

Date: April 8, 2010

/s/ Fred Greener  
FRED GREENER  
Executive Vice President  
Big West of California, LLC.  
1104 Country Hills Drive  
Ogden, UT 84403

CERTIFICATE OF SERVICE

I hereby certify that this 13<sup>th</sup> day of December, 2010, a copy of this Third Addendum to Consent Decree was filed with the Clerk of the U.S. District Court for the Southern District of Texas using the Court's CM/ECF system, and was served first class via U.S. Mail upon:

Ted R. Broyles, II  
Senior Attorney  
Office of the Secretary  
Legal Affairs Division  
P.O.Box 4302  
Baton Rouge, LA 70821

Laughlan H. Clark  
Zender Thurston, P.S.  
1700 D Street  
P.O. Box 5226  
Bellingham, WA

Julie Domike  
Wallace King Domike & Reiskin, PLL  
2900 K Street NW  
Harbourside, Suite 500  
Washington, D.C. 20007

Richard Walsh  
Assistant General Counsel and Vice President  
Environmental Safety & Regulatory Affairs  
Valero Energy Corporation  
One Valero Way  
San Antonio, Texas 78249

Valerie Satterfield  
Deputy Attorney General  
Office of the Attorney General  
102 West Water Street, Third Floor  
Dover, DE 19904

Christian C. Semonsen  
Kirkland & Ellis LLP  
655 15th Street, N.W.  
Washington, D.C. 20005

Stoney K. Vining, Esq.  
Tesoro Companies, Inc.  
19100 Ridgewood Parkway  
San Antonio, TX 78259

/s/ Robert Brook  
Robert Brook

