

**U. S. ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D. C.**

)		
In the Matter of:)		
)		
Sunoco, Inc.)	Administrative Settlement	
)	Agreement	
Respondent.)	AED/MSEB # 7842	
)		

This Administrative Settlement Agreement (ASA) is made and entered into by and between the United States Environmental Protection Agency (EPA) and Sunoco, Inc. (Respondent or Sunoco), regarding Respondent's compliance with the requirements of the Clean Air Act (the Act) and the regulations promulgated thereunder at 40 C.F.R. Part 80, Subpart G (detergent regulations).

Purpose:

1. The purpose of this ASA is to resolve alleged noncompliance by Respondent with the requirements of the Act and the detergent regulations.

Statutory and Regulatory Authority:

2. EPA promulgated the detergent regulations pursuant to section 211(l) of the Act, 42 U.S.C. § 7545(l).
3. The detergent regulations require the use of EPA certified additives in all gasoline sold in the United States in order to control fuel injector and intake valve deposits in motor vehicle and non-motor vehicle engines; fuel deposits adversely affect both exhaust emissions and fuel economy.
4. 40 C.F.R. § 80.2(i) defines a refiner as any person who owns, leases, operates, controls, or supervises a refinery.

5. 40 C.F.R. § 80.2(l) defines a gasoline distributor as any person who transports or stores or causes the transportation or storage of gasoline at any point between any refinery and any retail outlet or wholesale purchaser-consumer facility.
6. 40 C.F.R. § 80.140 defines a detergent blender as any person who owns, leases, operates, controls or supervises the blending operation of a detergent blending facility. Sunoco owned and operated the facility where the gasoline at issue in this case was produced, detergent-additized, and distributed to retail outlets for sale to the ultimate consumer.
7. 40 C.F.R. § 80.161(b) requires additive manufacturers to properly register detergents under 40 C.F.R. Part 79, provide compositional data, and report to EPA the lowest additive concentration (LAC) at which the additive is effective.
8. 40 C.F.R. § 80.161(d) requires detergent additives to be blended with gasoline at a rate that is no less than the LAC.
9. 40 C.F.R. § 80.168(a)(1) prohibits any person from detergent-additizing gasoline, or selling, offering for sale, dispensing, supplying, offering for supply, transporting, or causing the transportation of gasoline to the ultimate consumer for use in motor vehicles or in any off-road engines, or to a gasoline retailer or wholesale purchaser-consumer, unless the gasoline is additized with detergent additive in conformity with the requirements of 40 C.F.R. § 80.161.
10. 40 C.F.R. § 80.171(a)(4)(i) requires for each occasion when any gasoline refiner, distributor, or blender, transfers custody or title to any gasoline, the transferor shall provide to the transferee product transfer documents (PTDs) which accurately

identify the product being transferred as base gasoline or detergent-additized gasoline.

11. 40 C.F.R. § 80.168(c) prohibits any person from selling, offering for sale, dispensing, supplying, offering for supply, storing, transporting, or causing the transportation of any gasoline, unless the product PTD for the gasoline complies with the requirements of 40 C.F.R. § 80.171.
12. 40 C.F.R. § 80.170(a) establishes volumetric additive reconciliation (VAR), equipment calibration and recordkeeping requirements applicable to automated blending facilities.
13. 40 C.F.R. § 80.170(a)(2) requires detergent blenders at automated blending facilities to accurately measure and record the total volume of detergent blended into gasoline.
14. 40 C.F.R. § 80.170(a)(4) provides that each VAR formula record must contain the actual detergent concentration. The concentration must be calculated and recorded to four digits.
15. 40 C.F.R. § 80.170(a)(5) prohibits detergent blenders at automated blending facilities from setting the concentration of any detergent below the applicable certified LAC.
16. 40 C.F.R. § 80.168(b) prohibits any person from blending detergent into gasoline unless such person complies with the VAR recordkeeping requirements of 40 C.F.R. § 80.170(a).

Background

17. The violations in this case occurred at Sunoco's Tulsa, Oklahoma truck loading rack, which is directly adjacent to Sunoco's, Tulsa, Oklahoma refinery.

18. On July 17, 2008, and in a number of subsequent submittals, Sunoco informed EPA that it under-additized 7,856,280 gallons of gasoline produced by Sunoco and distributed from its Tulsa, Oklahoma refinery truck loading terminal from August 5, 2005, through June 18, 2008, and that it failed to comply with a number of the recordkeeping and PTD requirements of the detergent regulations. Based upon this information, EPA alleges that Respondent violated the following detergent regulations:

- a. 40 C.F.R. § 80.168(a)(1) by blending, selling and distributing gasoline to retail outlets for use by ultimate consumers that was not additized with a detergent additive in conformity with 40 C.F.R § 80.161;
- b. 40 C.F.R. § 80.168(c) of the detergent regulations by selling and supplying gasoline that failed to comply with the PTD requirements of 40 C.F.R. § 80.171; and
- c. 40 C.F.R. § 80.168(b) by failing to comply with the VAR recordkeeping requirements of 40 C.F.R § 80.170(a) for automated blending facilities.

19. Respondent informed EPA that is has implemented a comprehensive plan to comply with the detergent regulations and prevent future violations.

Civil Penalty:

20. Respondent shall pay a civil penalty of \$695,000 to the United States of America within thirty (30) calendar days of the effective date of this Agreement (penalty due date), but not before the effective date. Late payment of the penalty is subject to interest and fees as specified in 31 U.S.C. § 3717. Respondent shall pay the amount by either:

- a. Certified check or cashier's check payable to the "United States of America," and mailed via the United States Postal Service to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000
ATTN: AED/MSEB # 7842

Simultaneously, Respondent shall fax a photocopy of the check to (303) 312-6003 to the attention of Natalie Firestine. Respondent shall identify the check with the case number and Respondent's name; or

- b. Respondent may make an online payment through the Department of the Treasury by visiting WWW.PAY.GOV. In the "Search Public Forms" field, enter "SFO 1.1", click "EPA Miscellaneous Payments - Cincinnati Finance Center" and complete the "SFO Form Number 1.1." Within twenty-four hours of payment, Respondent shall fax a copy of the online payment receipt to Natalie Firestine at (303) 312-6003.

Stipulated Penalties:

21. Respondent shall pay stipulated penalties of \$1,000 per day for failure to timely pay the penalty, or provide proof thereof, pursuant to Paragraph 20.

General Provisions:

22. EPA and Respondent (the "Parties"), desiring to settle and resolve this matter, in consideration of the mutual covenants and agreements contained herein, which consideration is acknowledged by the parties to be adequate, agree as set forth herein.
23. This ASA becomes effective upon the date executed by EPA (effective date of the ASA), at which time a copy will be returned to Respondent.
24. Notwithstanding any other provision of this ASA, upon default or failure of Respondent to comply with the terms of this ASA, EPA may refer this matter to the United States Attorney General for collection pursuant to section 205(c) of the Act,

42 U.S.C. § 7524(c), commence an action to enforce this ASA or to recover the civil penalty pursuant to section 205 of the Act, or pursue any other remedies available to it. Respondent expressly waives its right to assert that such action is barred by 28 U.S.C. § 2462, other statutes of limitation, or other provisions limiting actions as a result of the passage of time. Respondent acknowledges that its tax identification number may be used for the purpose of collecting or reporting any delinquent monetary obligation arising from this ASA. (*See* 31 U.S.C. § 7701.)

25. The Respondent represents that the individual or individuals executing this ASA on behalf of Respondent are authorized to do so and that such execution is intended and is sufficient to bind Respondent, its agents, assigns, or successors.
26. Respondent waives its rights, if any, to a hearing, trial or any other proceeding on any issue of fact or law relating to the matters consented to herein.
27. The validity, enforceability, and construction of all matters pertaining to this ASA shall be determined in accordance with applicable federal law.
28. This ASA is contingent upon the truthfulness, accuracy and completeness of Respondent's disclosures and representations to EPA under this ASA, including but not limited to representations described in Paragraph 18 of this ASA.
29. In any enforcement or penalty action arising out of this ASA or the subject matter of this ASA:
 - a. The Parties agree that the settlement of this matter is in the public interest and that this ASA is the most appropriate means of resolving the matter; and

- b. The Parties further agree that jurisdiction to settle this matter exists pursuant to section 211 of the Act, 42 U.S.C. § 7545, 40 C.F.R. Part 80 and other provisions of law.

Effect of Agreement:

30. Upon completion of the terms of this ASA, the alleged violations described in this ASA shall be deemed resolved. Nothing herein shall limit the right of EPA to proceed against Respondent in the event of default or noncompliance with this ASA for violations of section 211 of the Act, 42 U.S.C. § 7545, which are not the subject matter of this ASA, for other violations of law, or with respect to other matters not within the scope of the ASA. This ASA in no way affects or relieves Respondent of its responsibility to comply with other state, federal, or local laws or regulations.

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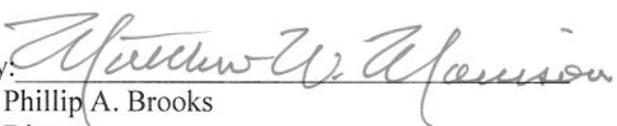
The following agree to the terms of this ASA:

Sunoco, Inc.

By: *John D. Pickering* Date: *9/20/2011*
Typed or Printed Name: *John D. Pickering*
Typed or Printed Title: *Senior Vice President, Manufacturing*
Federal Tax Identification Number: *23-1743283*

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United States Environmental Protection Agency

By:  Date: 9/27/11
for Phillip A. Brooks
Director
Air Enforcement Division