COMMONWEALTH OF PENNSYLVANIA ENVIRONMENTAL HEARING BOARD

CLEAN AIR COUNCIL and ENVIRONMENTAL INTEGRITY PROJECT

EHB Docket No. 2018-057-L

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COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL PROTECTION and SUNOCO PARTNERS MARKETING & TERMINALS, L.P., Permittee

STIPULATION OF SETTLEMENT

This Stipulation of Settlement ("Agreement" or "Settlement") is made by and among Clean Air Council and Environmental Integrity Project (collectively, "Appellants") and Sunoco Partners Marketing & Terminals, L.P. ("SPMT"). Appellants and SPMT are referred to collectively herein as "the Parties."

- A. On May 25, 2018, Appellants filed an appeal with the Environmental Hearing Board ("EHB") docketed at 2018-057-L ("Appeal") challenging the Pennsylvania Department of Environmental Protection's (the "Department") issuance of Plan Approval No. 23-0119H to SPMT for the construction of the West Warm Flare.
- B. The Parties have participated in negotiations to avoid the time and expense of further legal proceedings in this matter.
- C. The Parties agree that it is desirable to resolve this matter under the terms and conditions set forth below.

THEREFORE, the Parties, intending to be legally bound hereby, in consideration of mutual covenants and a mutual exchange of promises, warranties, agreements, and obligations as recited

herein, and for good cause and other good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged, agree as follows:

- 1. RETIREMENT OF EMISSION REDUCTION CREDITS. By June 30, 2020, SPMT will provide 53 tons of volatile organic compound ("VOC") emission reduction credits ("credits") to the Department for retirement. Those credits will have been generated in any of the following Pennsylvania counties or any combination of these counties: Delaware, Bucks, Chester, Montgomery, and Philadelphia. Those credits may either be purchased through the Department's Emission Reduction Credit Registry System before retirement or already possessed by SPMT. In surrendering the credits to the Department for retirement, SPMT will not use the credits' surrender in fulfillment of any permit requirements. SPMT will furnish to Appellants a copy of the official Department documentation of the retirement of the credits no later than five business days after receiving that documentation.
- 2. <u>STAY OF APPEAL</u>. Upon the execution of this Agreement, the Parties will promptly and jointly move the Environmental Hearing Board for a stay of all proceedings in this matter in anticipation of the retirement of the credits specified in Paragraph 1 and Appellants' withdrawal of the appeal with prejudice, as specified in Paragraph 3.
- 3. TERMINATION OF APPEAL. No later than five business days after Appellants' receipt from SPMT of a copy of the official Department documentation of the retirement of the credits specified in Paragraph I, Appellants will withdraw the above-captioned appeal with prejudice by filing a praecipe to withdraw with the Environmental Hearing Board.
- 4. REMEDIES. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies. Given the equitable nature of the consideration in this Agreement, the Parties agree that specific performance shall be available as a remedy for breach of this Agreement.

- 5. HEADINGS. The headings in this Agreement are inserted for convenience only and will not affect the meaning or interpretation of this Agreement or any provision hereof.
- 6. <u>PENNSYLVANIA LAW</u>. This Agreement will be construed and enforced pursuant to the laws of the Commonwealth of Pennsylvania.
- 7. PARTIES BOUND. This Agreement will be binding upon and inure to the benefit of each Party and their respective beneficiaries, successors, and assigns.
- 8. <u>AUTHORIZATIONS</u>. The Parties warrant to each other that all necessary authorizations and other actions have been taken such that execution, delivery, and performance of this Agreement and all other actions taken or to be taken in connection with this Agreement have been fully authorized.
- 9. MODIFICATION AND COMPLETE AGREEMENT. There are no representations, agreements, or understandings relating to this Agreement other than those expressly contained in this Agreement. It is expressly understood and agreed that this Agreement may not be altered, amended, modified, or otherwise changed in any respect whatsoever except by a writing duly executed by the Parties through their authorized representatives. The Parties hereby agree and acknowledge that they will not claim at any time or place that this Agreement has been orally altered or modified or otherwise changed by oral communication of any kind or character.
- performance of their respective duties, obligations and responsibilities hereunder, are a compromise of disputed claims set forth in the Appeal, and are not and will not be construed as an admission or evidence of any fact, wrongdoing, misconduct, liability, or lack thereof in any future matter or legal proceeding or otherwise.

- 11. <u>COUNTERPARTS</u>. This Agreement may be executed in any number of counterparts, each of which will be deemed an original but all of which together will constitute a single document.
- 12. EXECUTION. Each of the signatories warrants that they are authorized to sign this Agreement on behalf of the Party for whom they sign and to bind that Party to the terms of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives. Signatures for attorneys for the Parties certify that the Agreement has been signed after the Parties have consulted with counsel.

SUNOCO PARTNERS MARKETING & TERMINALS, L.P.

onathan A. Hunt

Vice President of Terminal Operations

4/6/20 Date

CLEAN AIR COUNCIL

Joseph Otis Minott Executive Director h/7/20

ENVIRONMENTAL INTEGRITY PROJECT

Eric Schaeffer

Executive Director

4/1/2020 Date