



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TEXAS 75202-2733

June 21, 2011

Ms. Virginia M. King
Group Counsel
Environmental, Safety and Security
Marathon Petroleum Company, LP
Findlay, Ohio 45840-3295

Re: Consent Agreement and Final Order - Docket Number CAA-06-2011-3318

Dear Ms. King:

Thanks to Marathon Petroleum Company, LP for signing and returning the Complaint and Consent Agreement and Final Order (CAFO) for the above-referenced matter. The CAFO resolves the violations identified in the Complaint. The CAFO has been signed on behalf of EPA and filed with the Regional Judicial Officer. Enclosed you will find a copy for your records. Please note that the effective date is stamped on the front page of the CAFO. Due dates for the penalty payments are based off of this date.

If you have any questions regarding this matter, please contact Leonard Schilling, Assistant Regional Counsel at (214) 665-7166.

Sincerely,

A handwritten signature in black ink, appearing to read "John Blevins".

John Blevins
Director
Compliance Assurance and
Enforcement Division

Enclosure

FILED

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UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY

REGIONAL HEARING CLERK
EPA REGION VI

REGION 6
DALLAS, TEXAS

IN THE MATTER OF:
MARATHON PETROLEUM
COMPANY, LP

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EPA DOCKET NO. CAA-06-2011-3318

TEXAS CITY, TEXAS

COMPLAINT AND
§ CONSENT AGREEMENT AND
§ FINAL ORDER
§

The Director of the Compliance Assurance and Enforcement Division of the United States Environmental Protection Agency, Region 6 ("Complainant") and Marathon Petroleum Company, LP ("Marathon" or "Respondent") in the above referenced proceeding, hereby agree to resolve this matter through the issuance of this Complaint and Consent Agreement and Final Order.

I. PRELIMINARY STATEMENT

1. This proceeding is for the assessment of civil penalties pursuant to Section 113(d) of the Clean Air Act, as amended ("CAA"), 42 U.S.C. § 7413(d), and for additional terms of settlement as agreed to by Respondent. This proceeding was instituted by the issuance of a Complaint and Notice of Opportunity for Hearing incorporated herein, and is simultaneously concluded by the issuance of this Consent Agreement and Final Order ("CAFO") against Respondent pursuant to 40 C.F.R. §§ 22.13(b), 22.18(b)(2), 22.18(b)(3), and 22.34.

2. The Complaint alleges that Marathon violated regulations promulgated under the CAA at its refinery located in Texas City, Galveston County, Texas (the "Refinery").

3. For purposes of this proceeding, Respondent admits the jurisdictional allegations of this Complaint; however, Respondent neither admits nor denies the specific factual allegations contained in this Complaint.

4. Respondent consents to the issuance of this CAFO hereinafter recited and to the assessment and payment of the stated civil penalty in the amount and by the method set out in this CAFO and agrees to apply for an appropriate SIP-approved permit for the Refinery pursuant to Title 30, Chapter 116, Subchapter B of the Texas Administrative Code in accordance with the schedule and terms set out in this CAFO. In addition, Respondent agrees to perform the additional terms of settlement set forth in Paragraphs 54 through 61.

5. Respondent waives any right to contest the allegations in the CAFO and its right to appeal the Final Order set forth herein, and Respondent waives all defenses which have been raised or could have been raised to the claims set forth in the CAFO.

6. This CAFO shall resolve Respondent's liability for the violations and facts alleged in this Complaint including air permit violations of Title 30, Chapter 116, Subchapter B of the Texas Administrative Code arising from the projects described below.

7. Respondent shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, or claim-splitting for violations not alleged in this Complaint.

8. Nothing in this CAFO shall be construed to prevent or limit the civil and criminal authorities of the United States Environmental Protection Agency ("EPA"), or that of other Federal, State, or local agencies or departments to obtain penalties or injunctive relief under other Federal, State, or local laws or regulations.

9. Respondent represents that it is duly authorized to execute this CAFO and that the party signing this CAFO on behalf of the Respondent is duly authorized to bind the Respondent to the terms and conditions of this CAFO.

10. Respondent agrees that the provisions of this CAFO shall be binding on its officers, directors, employees, agents, servants, authorized representatives, successors, and assigns.

II. STATUTORY AND REGULATORY BACKGROUND

11. Pursuant to Section 110 of the CAA, 42 U.S.C. § 7410, Texas has submitted and EPA has approved a state implementation plan ("Texas SIP") that contains, inter alia, the group of control strategies and regulations designed to attain and maintain the national ambient air quality standards for criteria air pollutants.

12. The Texas SIP includes an air permitting program for new and modified sources of air pollution that provides various mechanisms for sources to obtain authorizations for their air emissions. In 1994, Texas created a flexible air permit program ("Texas Flexible Permit Program"), found at Title 30, Chapter 116, Subchapter G of the Texas Administrative Code, and submitted that program to EPA for approval as a revision to the Texas SIP. However, EPA has disapproved the Texas Flexible Permit Program. *See* 75 Fed. Reg. 41312 (July 15, 2010). Sources remain subject to the federally-approved Texas SIP and the mechanisms contained therein to effect changes to their operations that may affect air emissions.

13. According to 31 TEX. ADMIN. CODE § 116.1(a), as approved by EPA in 1995, before any actual work is begun on a facility, any person who plans to construct any new facility or to engage in the modification of any existing facility which may emit air contaminants into the air of this state must obtain a permit to construct pursuant to 31 TEX. ADMIN. CODE § 116.3(a)

(relating to Consideration for Granting Permits to Construct and Operate) or satisfy the conditions for exempt facilities pursuant to 31 TEX. ADMIN. CODE §116.6 (relating to Exempted Facilities). *See* 60 Fed. Reg. 49781 (Sept. 27, 1995).

14. In 2002, EPA approved the re-codification of 31 TEX. ADMIN. CODE § 116.1 to 30 TEX. ADMIN. CODE § 116.110, *see* 67 Fed. Reg. 58697 (Sept. 18, 2002), and in 2003, approved the subsequent revision of 30 TEX. ADMIN. CODE § 116.110. *See* 68 Fed. Reg. 64543 (Nov. 14, 2003).

15. According to 30 TEX. ADMIN. CODE § 116.110, before any actual work is begun on a facility, any person who plans to construct any new facility or to engage in the modification of any existing facility which may emit air contaminants into the air of this state shall either obtain a permit under 30 TEX. ADMIN. CODE § 116.111; satisfy the conditions for a standard permit (under the listed sections), or satisfy the conditions for facilities permitted by rule under 30 TEX. ADMIN. CODE Chapter 106.

16. Section 502(d)(1) of the CAA, 42 U.S.C. § 7661a(d)(1), requires each State to develop and submit to EPA an operating permit program that meets the requirements of Title V of the CAA. On June 25, 1996, EPA granted source category-limited interim approval of the Texas Title V program (effective July 25, 1996). On November 30, 2001, EPA granted full approval of the Texas Title V program, which is found in Chapter 122 of the Texas Administrative Code. *See* 40 C.F.R. Part 70, Appendix A. Major stationary sources and other sources of air pollution covered by Title V are required to obtain an operating permit that includes emission limitations and such other conditions necessary to assure compliance with all applicable requirements of the CAA. 42 U.S.C. §§ 7661a(a) and 7661c(a).

17. Under 40 C.F.R. § 70.1(b), “all sources subject to [the Title V regulations] shall have a permit to operate that assures compliance by the source with all applicable requirements.” The term “applicable requirements” is defined in 40 C.F.R. § 70.2 to include “(1) Any standard or other requirement provided for in the applicable implementation plan approved or promulgated by EPA through rulemaking under Title I of the [CAA] that implements the relevant requirements of the [CAA], including any revisions to that plan promulgated in [40 C.F.R. Part 52]” and “(2) Any term or condition of any preconstruction permits issued pursuant to regulations approved or promulgated through rulemaking under Title I, including parts C or D, of the [CAA].”

18. Section 504(a) of the CAA, 42 U.S.C. § 7661c(a), and 40 C.F.R. § 70.6(a) require all operating permits issued under Title V to include enforceable emission limitations and such other conditions as are necessary to assure compliance with “applicable requirements” of the CAA and the requirements of the applicable SIP.

III. FINDINGS OF FACT AND CONCLUSIONS OF LAW

19. Respondent is a limited partnership doing business in the State of Texas and is a “person” as that term is defined in Section 302(e) of the CAA, 42 U.S.C. § 7602(e), and within the meaning of Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

20. At all relevant times, Respondent owned and operated a refinery located in Texas City, Texas (the “Refinery”).

21. On or about August 1996, Respondent was issued Flexible Permit 22433 under the Texas Flexible Permit Program (the “Flexible Permit”). The Flexible Permit covers various emission units at the Refinery, including Fluid Catalytic Cracking Unit (EPN ES12), No. 4

Topper Heater (EPN ES9), No. 5 Topper Heater (EPN ES-8A), Gas Oil Tank 532 (EPN T-532), Sulfur Recovery Unit (EPN T-301), and the Naphtha Splitter.

22. On January 24, 2006, Respondent was issued an air operating permit, Permit No. O-01380 (the "Title V Permit"), a permit issued under the EPA-approved Texas Title V program.

23. On March 1, 2011, EPA provided notice to Respondent and Texas, as required by Section 113(a)(1) of the Act, 42 U.S.C. § 7413(a)(1), of potential violations of the Texas SIP related to changes made to the Refinery under the Flexible Permit.

IV. VIOLATIONS

Count 1 – Crude Expansion Project

24. In 1999, Marathon began construction of a series of projects known collectively as the Crude Expansion Project. The Crude Expansion Project included the replacement of the No. 4 Topper Heater pursuant to a standard exemption, the expansion of the Fluid Catalytic Cracking Unit pursuant to a Flexible Permit amendment, the replacement of trays in the No. 4 Topper Unit fractionator tower pursuant to a Flexible Permit alteration, and the expansion of the No. 4 and No. 5 Topper Units pursuant to a Flexible Permit amendment.

25. By constructing the Crude Expansion Project referenced above, Respondent constructed new facilities or modified existing facilities that may emit air contaminants into the air of this state and was required to obtain a permit to construct pursuant to 31 TEX. ADMIN. CODE § 116.3(a) or satisfy the conditions for exempt facilities pursuant to 31 TEX. ADMIN. CODE §116.6.¹

¹ Because the Crude Expansion Project began in 1999, Marathon was required to comply with the permitting requirements set forth in 31 TEX. ADMIN. CODE § 116.1(a), as this was the SIP-approved regulation in effect at the time. The projects described in Counts 2 through 5 began later and therefore were subject to 30 TEX. ADMIN. CODE § 116.110.

26. Respondent failed to obtain a permit to construct pursuant to 31 TEX. ADMIN. CODE § 116.3(a) or satisfy the conditions for exempt facilities pursuant to 31 TEX. ADMIN. CODE §116.6 before beginning construction of the Crude Expansion Project.

27. Therefore, Respondent violated and continues to violate the requirements of 31 TEX. ADMIN. CODE § 116.1(a) of the federally-approved Texas SIP, approved by EPA under Section 110 of the CAA, 42 U.S.C. § 7410.

Count 2 – Gas Oil Tank 532

28. In 2006, Marathon began construction of Gas Oil Tank 532 pursuant to a Flexible Permit amendment.

29. By constructing Gas Oil Tank 532, Respondent constructed new facilities or modified existing facilities that may emit air contaminants into the air of this state and was required to either obtain a permit under 30 TEX. ADMIN. CODE § 116.111, satisfy the conditions for a standard permit, or satisfy the conditions for facilities permitted by rule under 30 TEX. ADMIN. CODE Chapter 106.

30. Respondent failed to obtain a permit under 30 TEX. ADMIN. CODE § 116.111, satisfy the conditions for a standard permit, or satisfy the conditions for facilities permitted by rule under 30 TEX. ADMIN. CODE Chapter 106 before beginning construction of Gas Oil Tank 532.

31. Therefore, Respondent violated and continues to violate the requirements of TEX. ADMIN. CODE § 116.110 of the federally-approved Texas SIP, approved by EPA under Section 110 of the CAA, 42 U.S.C. § 7410.

Count 3 – Sulfur Recovery Unit Project

32. In 2006, Marathon began construction of the Sulfur Recovery Unit Project pursuant to a Flexible Permit amendment.

33. By constructing the Sulfur Recovery Unit Project, Respondent constructed new facilities or modified existing facilities that may emit air contaminants into the air of this state and was required to either obtain a permit under 30 TEX. ADMIN. CODE § 116.111, satisfy the conditions for a standard permit, or satisfy the conditions for facilities permitted by rule under 30 TEX. ADMIN. CODE Chapter 106.

34. Respondent failed to obtain a permit under 30 TEX. ADMIN. CODE § 116.111, satisfy the conditions for a standard permit, or satisfy the conditions for facilities permitted by rule under 30 TEX. ADMIN. CODE Chapter 106 before beginning construction of the Sulfur Recovery Unit Project.

35. Therefore, Respondent violated and continues to violate the requirements of 30 TEX. ADMIN. CODE § 116.110 of the federally-approved Texas SIP, approved by EPA under Section 110 of the CAA, 42 U.S.C. § 7410.

Count 4 – Naphtha Splitter Project

36. In 2010, Marathon began construction of the Naphtha Splitter Project pursuant to a Flexible Permit amendment.

37. By constructing the Naphtha Splitter Project, Respondent constructed new facilities or modified existing facilities that may emit air contaminants into the air of this state and was required to either obtain a permit under 30 TEX. ADMIN. CODE § 116.111, satisfy the conditions for a standard permit, or satisfy the conditions for facilities permitted by rule under 30 TEX. ADMIN. CODE Chapter 106.

38. Respondent failed to obtain a permit under 30 TEX. ADMIN. CODE § 116.111, satisfy the conditions for a standard permit, or satisfy the conditions for facilities permitted by rule under 30 TEX. ADMIN. CODE Chapter 106 before beginning construction of the Naphtha Splitter Project.

39. Therefore, Respondent violated and continues to violate the requirements of 30 TEX. ADMIN. CODE § 116.110 of the federally-approved Texas SIP, approved by EPA under Section 110 of the CAA, 42 U.S.C. § 7410.

Count 5 – No. 4 Topper Burner Reliability Project

40. In 2010, Marathon began construction of the No. 4 Topper Burner Reliability Project pursuant to a Flexible Permit amendment.

41. By constructing the No. 4 Topper Burner Reliability Project, Respondent constructed new facilities or modified existing facilities that may emit air contaminants into the air of this state and was required to either obtain a permit under 30 TEX. ADMIN. CODE § 116.111, satisfy the conditions for a standard permit, or satisfy the conditions for facilities permitted by rule under 30 TEX. ADMIN. CODE Chapter 106.

42. Respondent failed to obtain a permit under 30 TEX. ADMIN. CODE § 116.111, satisfy the conditions for a standard permit, or satisfy the conditions for facilities permitted by rule under 30 TEX. ADMIN. CODE Chapter 106 before beginning construction of the No. 4 Topper Burner Reliability Project.

43. Therefore, Respondent violated and continues to violate the requirements of 30 TEX. ADMIN. CODE § 116.110 of the federally-approved Texas SIP, approved by EPA under Section 110 of the CAA, 42 U.S.C. § 7410.

Count 6 – Title V

44. Because Respondent did not obtain the appropriate SIP-approved preconstruction permits for the projects described in Counts 1 through 5 above pursuant to 31 TEX. ADMIN. CODE § 116.1(a) and 30 TEX. ADMIN. CODE § 116.110, Marathon's Title V Permit does not include all applicable requirements.

45. Therefore Respondent violated and continues to violate Section 504(a) of the CAA, 42 U.S.C. § 7661c(a), 40 C.F.R. §§ 70.1(b) and 70.6(a) by failing to include enforceable emission limitations and such other conditions as are necessary to assure compliance with "applicable requirements" of the CAA and the requirements of the applicable SIP in its Title V Permit.

V. CIVIL PENALTY AND TERMS OF SETTLEMENT

46. For the reasons set forth above, Respondent has agreed to pay a civil penalty which has been determined in accordance with Section 113(d) of the CAA, 42 U.S.C. § 7413(d), which authorizes EPA to assess a civil penalty of up to twenty-five thousand dollars (\$25,000)² per day for each violation of the CAA. Upon consideration of the entire record herein, including the Findings of Fact and Conclusions of Law, which are hereby adopted and made a part hereof, and upon consideration of the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and good faith efforts to comply, the duration of

² The Civil Penalty Inflation Adjustment Act of 1990, 28 U.S.C. § 2461, as amended by 31 U.S.C. § 3701 provides for increases in the statutory penalty provisions (\$25,000) cited in the Clean Air Act Stationary Source Civil Penalty Policy dated October 25, 1991 (CAA Penalty Policy). It provides for up to \$25,000 per day of violation for violations occurring on or before January 30, 1997; up to \$27,500 per day for each such violation occurring after January 30, 1997 through March 15, 2004; up to \$32,500 per day for each such violation occurring after March 15, 2004 through January 12, 2009; and up to \$37,500 per day for each such violation occurring after January 12, 2009.

the violation, payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, the seriousness of the violation, specific facts and equities, litigation risks, and other factors as justice may require, INCLUDING Respondent's agreement to perform the additional terms of settlement set forth below, it is ORDERED that Respondent be assessed a civil penalty in the amount of twenty-nine thousand fifty dollars (\$29,050).

47. Within thirty (30) days of Respondent's receipt of this fully executed CAFO, Respondent shall pay twenty-nine thousand fifty dollars (\$29,050) by cashier's or certified check made payable to "Treasurer, United States of America, EPA - Region 6." Payment shall be remitted in one of four (4) ways: regular U.S. Postal Service mail, to include certified mail; overnight mail; wire transfer; or On Line Payment. For regular U.S. Postal Service mail, U.S. Postal Service certified mail, or U.S. Postal Service express mail, the check(s) should be remitted to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
PO Box 979077
St. Louis, MO 63197-9000

For overnight mail (non-U.S. Postal Service, e.g. Fed Ex), the check(s) should be remitted to:

U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, MO 63101
Contact: Natalie Pearson
(314) 418-4087

For wire transfer, the payment should be remitted to:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045
Field Tag 4200 of the Fedwire message should read "D 68010727
Environmental Protection Agency"
phone number (412) 234-4381.

For On-line Payment:

WWW.PAY.GOV
Enter sfo I.1 in search field
Open form and complete required fields.

PLEASE
NOTE:

Docket Number CAA-06-2011-3318 shall be clearly typed on the check to ensure proper credit. The check shall also be accompanied by a transmittal letter and shall reference Respondent's name and address, the case name, and docket number of the administrative complaint and CAFO. Respondent's adherence to this request will ensure proper credit is given when penalties are received for the Region. Respondent shall also send a simultaneous notice of such payment, including a copy of the money order, or check, and transmittal letter to the following:

John L. Jones (6EN-AA)
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

Region 6 Hearing Clerk
U.S. EPA Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

48. Respondent agrees not to claim, or attempt to claim, a federal income tax deduction or credit covering all or any part of the civil penalty paid to the United States Treasurer.

49. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, unless otherwise prohibited by law, EPA will assess interest and late payment penalties on outstanding debts owed to the United States and a charge to cover the costs of processing and handling a delinquent claim. Interest on the civil penalty assessed in this CAFO will begin to accrue thirty (30) days after the effective date of the CAFO and will be recovered by EPA on any amount of the civil penalty that is not paid by the respective due date. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a). Moreover, the costs of the Agency's administrative handling of overdue debts will be charged and assessed monthly throughout the period the debt is overdue. *See* 40 C.F.R. § 13.11(b).

50. EPA will also assess a fifteen dollar (\$15.00) administrative handling charge for administrative costs on unpaid penalties for the first thirty (30) day period after the payment is due and an additional fifteen dollars (\$15.00) for each subsequent thirty (30) day period that the penalty remains unpaid. In addition, a penalty charge of up to six percent per year will be assessed monthly on any portion of the debt which remains delinquent more than ninety (90) days. *See* 40 C.F.R. § 13.11(c). Should a penalty charge on the debt be required, it shall accrue from the first day payment is delinquent. *See* 31 C.F.R. § 901.9(d). Other penalties for failure to make a payment may also apply.

51. Pursuant to Section 113(d)(5) of the CAA, 42 U.S.C. § 7413(d)(5), any person who fails to pay on a timely basis a civil penalty ordered or assessed under this section shall be required to pay, in addition to such penalty and interest, the United States enforcement expenses, including, but not limited to, attorneys fees and costs incurred by the United States for collection

proceedings, and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be 10 percent of the aggregate amount of such person's outstanding penalties and nonpayment penalties accrued as of the beginning of each quarter.

52. Within six (6) months of the effective date of this CAFO, Respondent agrees to submit an application to the Texas Commission on Environmental Quality for a permit amendment with public notice pursuant to 30 TEX. ADMIN. CODE § 116.116(b) to convert the Flexible Permit to a New Source Review permit under 30 TEX. ADMIN. CODE, Chapter 116, Subchapter B.

53. The application for a permit amendment referenced in the above paragraph shall include proposed permit conditions no less stringent than those contained in the Permit Conditions Table attached as Attachment A. For any emission unit 1) not contained in the Permit Conditions Table, 2) constructed or modified pursuant to the Flexible Permit or other non-SIP approved mechanism, and 3) the construction or modification of which did not trigger state or federal permitting requirements under the Prevention of Significant Deterioration or Nonattainment programs under 42 U.S.C. §§ 7470-7492 and 42 U.S.C. §§ 7501-7515, respectively, the application for a permit amendment shall include proposed permit conditions no less stringent than the best available control technology requirements in effect at the time of the construction or modification, as defined by 30 TEX. ADMIN. CODE § 116.111(a)(2)(C).

54. The Respondent shall complete the ambient air monitoring project as described in Attachment B (the "Community Project"). As part of the Community Project, Respondent shall operate an off-site ambient air benzene and meteorological monitoring station from July 1, 2011 to July 1, 2014 and shall upload the resulting data to the Texas Commission on Environmental

Quality Leading Environmental Analysis and Display System. Respondent shall implement an Environmental Monitoring Response System that will notify Respondent's staff if the off-site monitor detects average hourly ambient benzene levels of 20 parts per billion or higher. If the off-site monitor detects benzene levels of 20 parts per billion or higher, Respondent shall commence an investigation into the potential source of the elevated benzene levels and abate, if possible, the cause of the elevated benzene levels from the Refinery. Beginning no later than ninety (90) days after the off-site monitor detects average hourly ambient benzene levels of 20 parts per billion or higher, Marathon shall submit to EPA a report containing a description of the investigation into the elevated benzene levels and any actions taken to abate the elevated benzene levels.

55. Beginning no later than ninety (90) days after the end of calendar year 2011 and continuing until completion of the Community Project, Marathon shall submit to EPA, on an annual basis, a report for the preceding calendar year that contains information on the status of the Community Project, including information regarding operating or logistical problems encountered and solutions thereto and a summary of costs incurred since the previous report.

56. The Respondent shall submit a Community Project Completion Report ("Completion Report") to EPA within ninety (90) days of the completion of the Community Project. The Completion Report shall contain the following information:

- A. A detailed description of the Community Project as implemented;
- B. A description of any operating or logistical problems encountered and the solutions thereto;
- C. Itemized final costs with copies of receipts for all expenditures;
- D. Certification that the Community Project has been fully implemented pursuant to the provisions of this CAFO; and

- E. A description of the environmental, emergency preparedness, and/or public health benefits resulting from implementation of the Community Project.

57. In itemizing its costs in the Completion Report, Respondent shall clearly identify and provide acceptable documentation for all eligible costs. For purposes of this Paragraph, "acceptable documentation" includes invoices, purchase orders, or other documentation that specifically identifies and itemizes the individual costs of the goods and/or services for which payment is being made. Canceled drafts do not constitute acceptable documentation unless such drafts specifically identify and itemize the individual costs of the goods and/or services for which payment is being made.

58. The Respondent shall submit the following certification in the Completion Report, signed by a responsible corporate official:

I certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment.

59. After receipt of the Completion Report described in Paragraph 56 above, EPA will notify the Respondent, in writing, regarding: (a) any deficiencies in the Completion Report itself along with a grant of an additional thirty (30) days for Respondent to correct any deficiencies; or (b) indicate that EPA concludes that the project has been completed satisfactorily; or (c) determine that the project has not been completed satisfactorily.

60. If EPA elects to exercise option (a) in Paragraph 59 above, i.e., if the Completion Report is determined to be deficient but EPA has not yet made a final determination about the adequacy of completion itself, EPA shall permit the Respondent the opportunity to object in

writing to the notification of deficiency given pursuant to Paragraph 59 within ten (10) days of receipt of such notification. EPA and the Respondent shall have an additional thirty (30) days from the receipt by EPA of the notification of objection to reach agreement on changes necessary to the Completion Report. If agreement cannot be reached on any such issue within this thirty (30) day period, EPA shall provide a written statement of its decision on adequacy of the completion of the Community Project to Respondent, which decision shall be final and binding upon the Respondent. The Respondent agrees to comply with any requirements imposed by EPA as a result of any failure to comply with the terms of this CAFO. In the event the Community Project is not completed as contemplated herein, as determined by EPA, the conditions precedent to the resolution of claims set forth in Paragraph 6 herein shall be deemed not to have been satisfied and Respondent is not afforded the protections provided by that provision.

61. Any public statement, oral or written, in print, film, or other media, made by the Respondent making reference to the Community Project shall include the following language, "This project was undertaken in connection with the settlement of an enforcement action taken by the U.S. Environmental Protection Agency for violations of the federal CAA." Respondent shall not deduct as a business expense in its income tax return(s) and shall not derive any tax deduction or benefit from the Community Project expenditures specified in the paragraph above.

62. Nothing in this agreement shall be construed as prohibiting, altering or in any way limiting the ability of EPA to seek any other remedies or sanctions available by virtue of the Respondent's violation of this agreement or of the statutes and regulations upon which this agreement is based, or for the Respondent's violation of any applicable provision of law.

63. This CAFO shall not relieve the Respondent of its obligation to comply with all applicable provisions of federal, state or local law, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state or local permit, nor shall it be construed to constitute EPA approval of any equipment or technology installed by the Respondent in connection with any Community Project undertaken pursuant to this CAFO. Nothing in this CAFO shall be construed to prohibit or prevent the federal, state, or local government from developing, implementing, and enforcing more stringent standards through rulemaking, the permit process, or as otherwise authorized or required.

64. This document is a "Final Order" as that term is defined in the CAA Penalty Policy for the purpose of demonstrating a history of "prior such violations."

VI. RETENTION OF ENFORCEMENT RIGHTS

65. EPA does not waive any rights or remedies available to EPA for any violations by the Respondent of any other Federal laws, regulations, statutes, or permitting programs not the subject of this action.

66. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of the CAA.


VII. COSTS

67. Each party shall bear its own costs and attorneys fees.

IT IS SO AGREED:

FOR THE RESPONDENT:

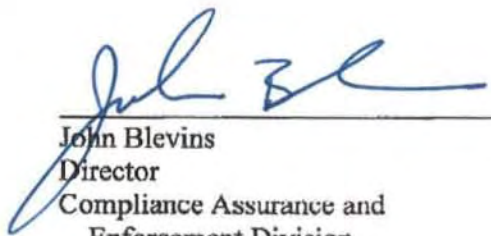
Date: 6/15/11


Name of Authorized party: Constance Bradicy
Title of Authorized Party: Deputy Assistant Secretary



FOR THE COMPLAINANT:

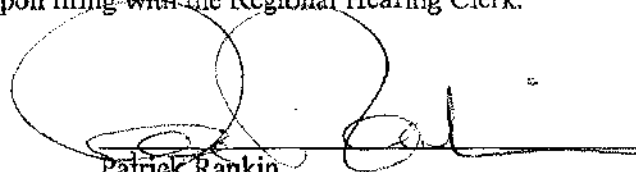
Date: 6/21/11


John Blevins
Director
Compliance Assurance and
Enforcement Division

FINAL ORDER

Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, 40 C.F.R. Part 22, the foregoing Consent Agreement is hereby ratified. This Final Order shall not in any case affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Final Order shall resolve only those causes of action alleged in this CAFO. The successful completion of the terms of settlement set forth in Paragraphs 54 through 61 are conditions precedent to the resolution of the claims set forth in Paragraphs 24 through 45 of this CAFO. Nothing in this Final Order shall be construed to waive, extinguish, or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action. The Respondent is ordered to comply with the terms of settlement as they relate to the assessment of civil penalties and the requirement to apply for a permit amendment pursuant to 30 TEX. ADMIN. CODE § 116.116(b) to convert the Flexible Permit to a New Source Review permit under 30 TEX. ADMIN. CODE, Chapter 116, Subchapter B. In accordance with 40 C.F.R. § 22.31(b), this Final Order shall become effective upon filing with the Regional Hearing Clerk.

Dated 6-22-11


Patrick Rankin
Regional Judicial Officer
U.S. EPA, Region 6

CERTIFICATE OF SERVICE

I hereby certify that on the 22nd day of June, 2011, the original and one copy of the foregoing Complaint and Consent Agreement and Final Order ("Complaint and CAFO") was hand delivered to the Regional Hearing Clerk, U.S. EPA - Region 6, 1445 Ross Avenue, Suite 1200, Dallas, Texas 75202-2733, and a true and correct copy was delivered to the following individual(s) by the method indicated below:

CERTIFIED MAIL - RETURN RECEIPT REQUESTED: 7001 0360 0003 6674 7882

Name of authorized party: Virginia M. King
Title of authorized party: Group Counsel

Address: 539 South Main St.
Findlay, Ohio 45840-3295

Sandra Hardy

U.S. EPA, Region 6
Dallas, Texas

Attachment A

Pollutant	ENFORCEABLE PERMIT CONDITIONS*		
	Emission Limit (tons/yr)	Concentration/Emission Factor	Other Conditions
Fluid Catalytic Cracking Unit (EPN # ES12)			
Sulfur Dioxide	89	18 ppmv (0% O2) - 365 day 50 ppmv (0% O2) - 7 day	Comply with NSPS Subpart J
Oxides of Nitrogen	57	18 ppmv (0% O2) - 365 day 40 ppmv (0% O2) - 7 day	Verify compliance with CEMS
Carbon Monoxide	250	500 ppmv - 1h	Comply with NSPS Subpart J
Volatile Organic Compounds	13		
Particulate Matter	164	1 lb/1,000 lb coke burn - 3 hr	Comply with NSPS Subpart J
Particulate Matter	296		
#4 Topper Heater (EPN # ES9)			
Sulfur Dioxide	3.3	162 ppmv H2S - 3hr avg 60 ppmv H2S - annual**	Comply with NSPS Subpart J
Oxides of Nitrogen	18.2		
Carbon Monoxide	20.7		
Particulate Matter	1.8		
Volatile Organic Compounds	1.3		
#5 Topper Heater (EPN # ES8A)			
Sulfur Dioxide	10.4 tpy 4.3 lb/hr	162 ppmv H2S - 3hr avg 60 ppmv H2S - annual**	Comply with NSPS Subpart J
Oxides of Nitrogen	35.9 tpy 30.7 lb/hr	0.045 lb/mm BTU - annual	Verify compliance with CEMS
Carbon Monoxide	9.6 tpy 7.22 lb/hr		
Particulate Matter	5.9		Maintain opacity to less than 10%
Volatile Organic Compounds	4.4		
Sulfur Recovery Complex (EPN #T-301)			
Sulfur Dioxide	23.6	250 ppmv (0% O2) - 12 hr avg 150 ppmv (0% O2) - annual	Comply with NSPS Subpart J
Oxides of Nitrogen	12		
Carbon Monoxide	3.8		

Attachment A

Pollutant	ENFORCEABLE PERMIT CONDITIONS*		
	Emission Limit (tons/yr)	Concentration/Emission Factor	Other Conditions
Volatile Organic Compounds	1.2		
Particulate Matter	0.3		
Particulate Matter (Less than 10 microns)	2.2		
UDEX Reboiler (EPN # ES22)			
Sulfur Dioxide	3.6 tpy 55.5 lb/hr	162 ppmv H2S - 3hr avg 60 ppmv H2S - annual**	Comply with NSPS Subpart J
Oxides of Nitrogen	16.5 tpy 8.4 lb/hr	0.06 lb/mm BTU (max firing rate)	
Carbon Monoxide	9.2 tpy 2.1 lb/hr		
Particulate Matter	3.5 tpy 0.8 lb/hr	Less than 20% opacity	
Volatile Organic Compounds	1.52 tpy 0.4 lb/hr		
Boilers #11 & #12 (EPN # ES13)			
Sulfur Dioxide	10.8	162 ppmv H2S - 3hr avg 60 ppmv H2S - annual**	Comply with NSPS Subpart J
Alkylation Heater (EPN # ES20)			
Sulfur Dioxide	11.2	162 ppmv H2S - 3hr avg 60 ppmv H2S - annual**	Comply with NSPS Subpart J
Nitrogen Oxides	60.4		
Platformer Charge Heater (EPN # ES3 & 4)			
Sulfur Dioxide	2.8	162 ppmv H2S - 3hr avg 60 ppmv H2S - annual**	Comply with NSPS Subpart J
Platformer Interheater (EPN # ES5 & 6)			
Sulfur Dioxide	3.3	162 ppmv H2S - 3hr avg 60 ppmv H2S - annual**	Comply with NSPS Subpart J
Main Flare (EPN # ES17)			
Sulfur Dioxide		162 ppmv H2S - 3hr avg	Comply with NSPS Subpart J
Alylation Flare (EPN # ES16)			
Sulfur Dioxide		162 ppmv H2S - 3hr avg	Comply with NSPS Subpart J
Benzene Tank (EPN # T022)			
Volatile Organic Compounds	1.2	0.62 lb/hr	Comply with NSPS Subpart Kb
Gas Oil Tank (EPN # T532)			
Volatile Organic Compounds	13.2	30 lb/hr	Comply with NSPS Subpart Kb
De-Inventory Tank (EPN # T561)			

Attachment A

Pollutant	ENFORCEABLE PERMIT CONDITIONS*		
	Emission Limit (tons/yr)	Concentration/Emission Factor	Other Conditions
Volatile Organic Compounds	1.17		Comply with NSPS Subpart Kb
Crude Oil Tank (EPN #T531)			
Volatile Organic Compounds	5.43		Comply with NSPS Subpart Kb
Tank 122 (EPN# 122)			
Volatile Organic Compounds	1.9	0.44 lb/hr	Comply with limits and conditions in Permit #1590, issued on August 9, 1990
Tank 124 (EPN# 124)			
Volatile Organic Compounds	3.4	0.77 lb/hr	Comply with limits and conditions in Permit #1590, issued on August 9, 1990
Tank 188 (EPN# T188)			
Volatile Organic Compounds	2.2	0.51 lb/hr	Comply with limits and conditions in Permit #1590, issued on August 9, 1990
Tank 206 (EPN# T206)			
Volatile Organic Compounds	2.3	0.51 lb/hr	Comply with limits and conditions in Permit #1590, issued on August 9, 1990
Tank 207 (EPN# T207)			
Volatile Organic Compounds	2.3	0.51 lb/hr	Comply with limits and conditions in Permit #1590, issued on August 9, 1990
Tank 192 (EPN# 192)			
Volatile Organic Compounds	15***	6,600,000 barrels per year	Comply with limits and conditions in Permit #2682, issued on July 17, 1991
Tank 152 (EPN# 152)			
Volatile Organic Compounds			Comply with limits and conditions in Permit #5909, issued on Feb. 10, 1978

*This table does not constitute an exhaustive list of permit requirements that should be included in Marathon's Subchapter B permit application. Additional requirements may be imposed by the applicable permitting authority as Marathon proceeds through the application process.

**To the extent Marathon proposes emission limits or permit conditions that are derived from NSPS Subpart Ja (parts of which have been stayed) for an emission unit, Marathon shall also include the caveat that it will comply with any revised version of NSPS Subpart Ja once it becomes effective.

Attachment A

Pollutant	ENFORCEABLE PERMIT CONDITIONS*		
	Emission Limit (tons/yr)	Concentration/Emission Factor	Other Conditions

***Marathon's previous limit of 3.72 tpy in Permit #2682 was calculated using the 1990 tank emission factor in AP-42. Using the more accurate TANKS Emissions Estimation Software, Version 4.09D, emissions from Tank 192 are estimated to be 22 tpy. However, Marathon has agreed to accept a lower limit of 15 tpy.

Attachment B

COMMUNITY PROJECT

EPA DOCKET NO. CAA-06-2011-3318

Respondent: Marathon Petroleum Company, L.P.
Operating Costs: approximately \$100,000/yr
Location: Galveston County

Marathon Petroleum Company, L.P. ("Marathon" or "Respondent") agrees to perform the community project described below (the "Project") as part of its settlement with the United States Environmental Protection Agency, Region 6 ("EPA") as set forth in the Complaint and Consent Agreement and Final Order, EPA DOCKET NO. CAA-06-2011-3318.

i. Project Description

a. Project

The Respondent shall operate and maintain the off-site ambient air benzene and meteorological monitoring station located between 11th Street and 12th Street and 5th Avenue and 6th Avenue on the north side of Respondent's refinery in Texas City, Texas (the "monitor") from July 1, 2011 through July 1, 2014 and shall upload the resulting data to the Texas Commission on Environmental Quality ("TCEQ") Leading Environmental Analysis and Display System ("LEADS"). The Respondent shall validate the data within 45 days after the data has been uploaded to the LEADS. The Respondent will request that the TCEQ make the data publicly available, upon request, after it has been validated.

Commencing July 1, 2011, the Respondent shall also utilize the Environmental Monitoring Response System ("EMRS") to notify the Respondent's staff if the monitor detects average hourly ambient benzene levels of 20 parts per billion or higher. The Respondent agrees to commence an investigation into the potential source of the elevated benzene levels and abate, if possible, the cause of the elevated benzene levels.

The Respondent shall use a qualified contractor to operate and maintain the monitor, perform system calibrations and data validation, audit the measurement systems performance, and ensure that the data is linked and uploaded to the TCEQ. The Respondent shall obtain the necessary licenses and any associated subscription fees from IPS MeteoStar for uploading the benzene and meteorological data into the LEADS. The Respondent or its contractor also shall provide contact information and be available during normal business hours to answer questions in a timely manner regarding the data quality from measurements obtained at the monitor. The Respondent and its agents shall perform the Project in accordance with all federal, state and local environmental laws and regulations. The Respondent

certifies that there is no prior commitment to do the Project and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

This Project will provide a discernible environmental benefit by providing data from which causal factors of elevated ambient air benzene may be determined as well as a warning of any events at the Respondent's refinery or neighboring sites that could have an impact on public health in the community. Also, the evaluation of long-term data may provide information regarding possible long-term health effects of elevated benzene levels. The Project will provide 36 months of monitoring of ambient air benzene concentrations and will assist the Respondent and regulatory agencies in more rapidly addressing elevated benzene levels in the Texas City area.

II. Performance Schedule

The Respondent shall establish the EMRS and have it fully operational no later than July 1, 2011.

Respondent shall operate the monitor for 36 consecutive months beginning not later than July 1, 2011 and not ending before July 1, 2014 and shall continuously operate the EMRS for 36 consecutive months.