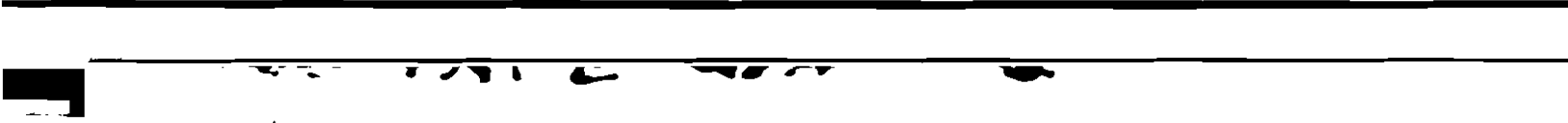


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BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Region III

1650 Arch Street

Philadelphia, Pennsylvania 19103-2029

IN RE:

Sunoco, Inc. (R&M) :
(d/b/a Sunoco Chemicals Frankford Plant) : EPA Docket No. CAA-03-2008-0150
Margaret & Bermuda Streets :
Philadelphia, PA 19137 : Proceeding under Section 113 of the
Clean Air Act, 42 U.S.C. § 7413
Respondent :

CONSENT AGREEMENT

I. Preliminary Statement

1. This Consent Agreement is entered into by the Director of the Air Protection Division, United States Environmental Protection Agency (“EPA”), Region III (“Complainant”), and Sunoco, Inc. (R&M), d/b/a Sunoco Chemicals Frankford Plant, which is located at Margaret & Bermuda Streets, Philadelphia, Pennsylvania 19137 (“Sunoco” or “Respondent”), pursuant to Section 113 of the Clean Air Act (“CAA” or the “Act”), 42 U.S.C. §7413, and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Termination or Suspension of Permits (“Consolidated Rules of Practice”), set forth at 40 C.F.R. Part 22 (with specific reference to 40 C.F.R. §§22.13(b) and 22.18(b)(2) and (3)).

2. The violations cited herein pertain to the Respondent’s alleged failure to comply with Sections 112(d) of the CAA (related to Emission Standards) and 112(i)(5) of the Act (related to the “Early Reduction” Permit Program under Title V) 42 U.S.C. §§ 7412(d) and 7412(i)(5) ; the regulations governing compliance extensions for early reductions of Hazardous Air Pollutants promulgated thereunder at 40 C.F.R. Part 63, Subpart D; the National Emission

Standards for Hazardous Air Pollutants (“NESHAPs”) found at 40 C.F.R. Part 63, Subparts F, G and H (related to: National Emission Standards for Organic Hazardous Air Pollutants From the Synthetic Organic Chemical Manufacturing Industry Standards, National Emission Standards for Organic Hazardous Air Pollutants From the Synthetic Organic Chemical Manufacturing Industry for Process Vents, Storage Vessels, Transfer Operations, and Wastewater and National Emission Standards for Organic Hazardous Air Pollutants for Equipment Leaks (hereinafter collectively known as the “Hazardous Organic NESHAP”, or “HON”)); and the National Emission Standards for Benzene Waste Operations found at 40 C.F.R. Part 61, Subpart FF (the “Benzene Waste NESHAP”), at the Sunoco Chemicals Frankford Plant, located at Margaret and Bermuda Streets, Philadelphia, PA 19137 (the “Facility”).

3. In accordance with Sections 22.13(b), and 22.18(b)(2) and (3) of the Consolidated Rules of Practice, 40 C.F.R. §§22.13(b), and 22.18(b)(2) and (3), Complainant hereby simultaneously commences and resolves, as part of the settlement set forth herein, the claims identified in this Consent Agreement.

II. General Provisions

4. For purposes of this proceeding, Sunoco admits the jurisdictional allegations set forth in this Consent Agreement and the accompanying Final Order (hereinafter collectively referred to as “this CAFO”).

5. Sunoco neither admits nor denies the specific factual allegations and conclusions of law set forth in this CAFO, except as provided in Paragraph 4., above.

6. Sunoco agrees not to contest EPA’s jurisdiction with respect to the execution of this CAFO, the issuance of the accompanying Final Order or the enforcement of this CAFO.

7. For the purpose of this proceeding only, Sunoco hereby expressly waives its right to a hearing pursuant to Section 113(d)(2)(A) of the CAA, 42 U.S.C. §113(d)(2)(A), concerning the finality or validity of this CAFO, or with respect to any issue of law or fact set forth in this CAFO. Sunoco also waives any right to appeal the accompanying Final Order.

8. Sunoco consents to the issuance of this CAFO and agrees to comply with the terms of this CAFO.

III. Findings of Fact and Conclusions of Law

A. Background

9. On October 18, 1996, EPA issued a “Final” Title V Specialty Operating Permit (No. 96-003) (the “Early Reduction Permit”) to AlliedSignal, Inc.’s Frankford Plant, located at Margaret & Bermuda Streets in Philadelphia, Pennsylvania.

10. Section A. of the Early Reduction Permit (“Source Identification”) identifies AlliedSignal, Inc. (“AlliedSignal”) as the “Early Reduction Source”, authorizing AlliedSignal “to operate air emission units and control equipment comprising the Early Reduction Source, which includes the emission units and associated equipment listed in Table A-1, in accordance with the specific and general conditions of [the Early Reduction Permit]”.

11. Under the terms of a comprehensive Asset Sale Agreement dated July 30, 1998, Respondent acquired the Frankford Plant from AlliedSignal.

12. Respondent’s purchase of the Frankford Plant is further documented under an agreement dated August 10, 1998, between AlliedSignal, a Delaware corporation, acting on behalf of itself and its affiliates (“Allied”), and Sunoco Company, Inc.

13. The July 30, 1998 Asset Sale Agreement and August 10, 1998 agreement effectuated the transfer of the Early Reduction Permit from Allied to Respondent, and further provided for Respondent's obligation to comply with all environmental permits, rules, laws and regulations associated with the operation of the Frankford Plant.

14. On August 31, 1998, in accordance with Section C, Item 3 of the Early Reduction Permit, and as allowed by 40 C.F.R. §71.26(c), Respondent submitted an "Addendum" to the Early Reduction Permit, the purpose of which was to effectuate an administrative amendment to the Early Reduction Permit which identifies a change in ownership and operational control of the early reduction source specialty permit.

15. Title V of the Act, 42 U.S.C. §§ 7661-7661f, mandates a federally enforceable operating permit program for certain sources which states may implement.

16. The Commonwealth of Pennsylvania's Title V program, which includes the City of Philadelphia's Title V program, was approved by EPA and became effective on August 29, 1996. 40 C.F.R. Part 70, Appendix A.

17. The City of Philadelphia issued the Title V Operating Permit No.V95-047 to the Facility on April 17, 2003, which became effective on July 1, 2003 (the "Title V Permit").

18. At all times relevant to this CAFO, Respondent owned and/or operated the Frankford Plant, now known as the "Sunoco Chemicals Frankford Plant" or, as used herein, the "Facility".

19. The Facility is a phenol, alpha-methyl styrene and acetone production facility that emits cumene, benzene, acetaldehyde, phenol, propionaldehyde, toluene, methanol, and acetophenone among other air pollutants.

20. Sunoco, a Delaware corporation, is a "person" as that term is defined in Sections 113(a), 302(e) and 502 of the CAA, 42 U.S.C. §§7413(a),7602(e),and 7661a and within the meaning of Section 113(d) of the CAA, 42 U.S.C. §7613(d).

21. The chemical processes performed by Respondent at the Facility meet the definition of a "chemical manufacturing process unit" found at 40 C.F.R. § 63.100.

22. The Facility is a "major source", as that term is defined in Section 112 of the Act, and at 40 C.F.R §63.2.

23. The Facility is a "chemical manufacturing plant", as that term is defined at 40 C.F.R §61.341.

24. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), provides that it is unlawful for any person to violate any requirement of a permit issued under Title V of the Act.

25. The Title V Permit provides in Section B. 7(a) that the permittee must comply with the conditions of the Title V Permit and that noncompliance with the permit constitutes a violation of the Act and is grounds for an enforcement action.

26. Pursuant to 40 C.F.R. §71.12, "[v]iolations of any applicable requirement; any permit term or condition; . . . are violations of the Act and are subject to full Federal enforcement authorities available under the Act."

27. On the dates of March 3rd through 7th, March 10th, 31st, April 2nd, and May 1, 2003, representatives from EPA conducted a compliance inspection of the Facility, in accordance with Section 114 of the Act. Information provided by the Respondent at that time, as well as information provided by Respondent in response to EPA's Section 114 information request

letter dated June 23, 2003, and subsequent oral and written communications form the basis for this settlement agreement.

B. Early Reduction Permit Violations

1. Alternate Emission Limit Violations

28. Section B. 1. of the Early Reduction Permit requires the Early Reduction Source to meet the Alternative Emission Limitations (“AELs”) of 53.2 tons per calendar year of Total Gaseous Hazardous Air Pollutants and 55.8 tons per calendar year of Weighted Gaseous Hazardous Air Poll units and associated equipment including those listed in Table A-1 of the Early Reduction Permit.

29. For calendar year 2003, Sunoco exceeded the AEL of 53.2 tons per year gaseous HAPs in the Early Reduction Permit by at least 6.8 tons per year.

30. Sunoco’s failure to meet the AELs required by its Early Reduction Permit as identified in Paragraph 29 above constituted violations of Section 112 of the CAA, 42 U.S.C. §7412, the implementing regulations found at 40 C.F.R. Part 63 and 71, Subpart B, Section 502(a) of the CAA, 42 U.S.C. §7661a(a), and the implementing regulations at 40 C.F.R. §52.23, subjecting the Respondent to an administrative civil penalty pursuant to Section 113(d) of the CAA, 42 U.S.C. §113(d).

2. Oxidizer-801 Violations

31. Sunoco began a process of air oxidation unit (“OX”) replacement with the construction and operation of a new air oxidation unit, OX-801, and associated equipment and the ultimate permanent shutdown of air oxidation units, OX-201/202 and OX-301/302 and associated equipment. OX-801 commenced operation on November 11, 1999.

32. OX-501 was shutdown and refurbished beginning in November 1999. OX-501 was restarted on December 18, 2000.

33. OX-401 was shutdown and refurbished beginning in December 2000. OX-401 was restarted in July 2002.

34. OX201/202 and OX301/302 and their associated equipment were shutdown permanently on November 11, 2001.

35. Section A. of the Early Reduction Permit identifies the following air oxidation emission units at the Facility: OX-201/202, OX-301/302, OX-401, and OX-501.

36. Section C.15. of the Early Reduction Permit requires that any hazardous air pollutant emissions from restarted or replacement equipment must be counted in the post-reduction emissions from the Early Reduction Source.

37. Sunoco did not record and report emissions from the replacement equipment related to the OX-801 replacement project (aldehyde drum, VT-802, and the wastewater tanks HT-801, HT-802, HT-803 and VT-801) in the semi-annual report required by the Early Reduction Permit for the year 2003.

38. Sunoco's failure to keep proper records and report emissions from OX-801 and associated equipment in the semi-annual reports required by the Early Reduction Permit for 2003 as identified in Paragraphs 31 through 37 above constituted violations of Section 112 of the CAA, 42 U.S.C. §7412, the implementing regulations found at 40 C.F.R. Parts 63 and 71, Subpart B, Section 502(a) of the CAA, 42 U.S.C. §7661a(a), and the implementing regulations at 40 C.F.R. §71.12, subjecting the Respondent to an administrative civil penalty pursuant to Section 113(d) of the CAA, 42 U.S.C. §113(d).

3. Distillation Column Violations

39. Because of the Facility's configuration during the air oxidation unit replacement program, certain distillation column emission vents that were routed to the catalytic oxidizer for destruction before November 2001 were redirected to the atmosphere from November 13, 2001 until at least May 2003.

40. Semi-annual reports provided to EPA by Sunoco for calendar year 2003 incorrectly estimated emissions from the distillation columns at the Facility by basing these estimated emissions on treatment through the catalytic oxidizer when, in fact, these emissions were actually vented to the atmosphere.

41. Sunoco's failure to accurately calculate, keep records and report its emissions from the distillation columns in the semi-annual reports required by the Early Reduction Permit for 2003 as identified in Paragraphs 39 through 40 above constituted violations of Section 112 of the CAA, 42 U.S.C. §7412, the implementing regulations found at 40 C.F.R. Parts 63 and 71, Subpart B, Section 502(a) of the CAA, 42 U.S.C. §7661a(a), and the implementing regulations at 40 C.F.R. §71.12, subjecting the Respondent to an administrative civil penalty pursuant to Section 113(d) of the CAA, 42 U.S.C. §113(d).

4. Other Semi-Annual Report Violations

42. Section B.5. of the Early Reduction Permit and Section D.17(c) of the Title V Permit require the permittee to provide semi-annual reports of the Early Reduction Source, including the total HAP emissions for each six month period.

43. Sunoco failed to report emissions from April 23, 2003 through June 30, 2003 from the Early Reduction Source in the semi-annual report submitted on July 28, 2003.

44. Sunoco failed to submit the semi-annual reports required by the Early Reduction Permit for the July 1, 2003 through April 22, 2005 time periods.

45. Section B.6.j(i) of the Early Reduction Permit requires calculation of emissions of additional units vented to the catalytic oxidizer.

46. Distillation columns CL-120 and CL-121 were constructed in February 1993 and modified in March 1998. Flash tank PF-201 was constructed in April 1997. Distillation column CL-206 was constructed in 1960 and modified in June 1995 and November 1996. Tanks VT-117, VT-129, VT-133, and VT-355 were constructed in 1992. Tanks HT-605 and VT-805 were constructed as part of the OX-801 project. These units are vented to the catalytic oxidizer.

47. CL-120, CL-121, PF-201, HT-605, VT-805, CL-206, VT-117, VT-129, VT-133, VT-355, and SE-101 are “additional units”, but Sunoco did not calculate emissions from these units which were being vented to the catalytic oxidizer.

48. For the July 1, 2003 through April 22, 2005 time period, Sunoco failed to calculate emissions from the additional units vented to the catalytic oxidizer not included in the Early Reduction Source, including CL-120, CL-121, PF-201, HT-605, VT-805, CL-206, VT-117, VT-129, VT-133, VT-355, and SE-101.

49. Sunoco’s failure to accurately calculate, keep records and report its emissions on semi-annual reports required by its Early Reduction permit as identified in paragraphs 42 through 48 above constituted violations of Section 112 of the CAA, 42 U.S.C. §7412, the implementing regulations found at 40 C.F.R. Parts 63 and 71, Subpart B, Section 502(a) of the CAA, 42 U.S.C. §7661a(a), and the implementing regulations at 40 C.F.R. §71.12, subjecting

the Respondent to an administrative civil penalty pursuant to Section 113(d) of the CAA, 42 U.S.C. §113(d).

5. SE-101 Violations

50. Section B.6.g. of the Early Reduction Permit states that emissions from the wastewater sumps, dikes and oil-water separators shall not fluctuate significantly and shall be based on emission measurements conducted in 1991 by ENSR. Emission estimates made by ENSR for SE-101, an oil-water separator which is part of the Early Reduction Source, were documented in the Early Reduction Permit as 0.423 tons per year. The Early Reduction Permit requires Sunoco to report this value as the SE-101 emissions in their semi-annual reports, pending no significant fluctuations.

51. Section C.17. of the Early Reduction Permit requires permit revisions when there is a physical change at the Early Reduction Source that violates the AELs or violates or alters the monitoring, record keeping, emission calculation, or reporting requirements stated in Section B. of the Early Reduction Permit.

52. Documentation provided by AlliedSignal in 1991 prior to approval of the Early Reduction Permit indicated that cumene emissions from the Facility's oil-water separator, SE-101, if uncontrolled, would be 54 tons per year. This estimate was based on actual emission measurements at the Facility. In this documentation, AlliedSignal indicated that the SE-101 is covered and that openings in the oil-water separator cover account for 0.74% of the separator surface area. AlliedSignal concluded from this information that cumene emissions from SE-101 would be approximately 0.4 tons per year (i.e., 0.74% of 54 tons per year).

53. From at least January 15, 2003 until at least May 1, 2003, SE-101 was taken out of service and wastewater normally collected in this separator was redirected to another uncovered oil-water separator ("SE-102") at the Facility. The emissions from the uncovered SE-102 were directed to atmosphere during this time.

54. According to plant personnel at the Facility, the emission from the vapor space from SE-101 were directed to the catalytic oxidizer prior to November 2001. From November 2001 until sometime prior to EPA's inspection in March 2003, the emissions from the vapor space from SE-101 were not directed to the catalytic oxidizer, but were vented to the atmosphere.

55. The physical changes made to the wastewater collection system at the Facility (i.e., redirecting the wastewater from SE-101 to SE-102) from at least January 15, 2003 until May 1, 2003, caused the emissions to fluctuate significantly from the emission estimates made by ENSR in 1991 and documented in the Early Reduction Permit. Based on the 1991 ENSR data, 54 tons per year of cumene would be emitted to the atmosphere if the oil-water separator is not covered. The resultant emissions for the period from January 15, 2003 through May 1, 2003, is estimated to be 15.5 tons per year (i.e., 105 days/ 365 days x 54 tons/yr.). Emission estimates for this uncontrolled oil-water separator, based on EPA's *WATER 9* wastewater emission estimation model for this time period, were between 6 and 12 tons per year. This situation helped cause the Facility to exceed its AELs in 2003.

56. Section C.5.c.(i) of the Early Reduction Permit requires that actions taken in accordance or contrary to the startup, shutdown, malfunction plan be documented. Section C.5.c.(ii) of the Early Reduction Permit requires that actions taken consistent with the startup, shutdown and malfunction plan be reported in the semi-annual emission report and actions

which affect a significant emission unit, as identified in section B.3. of the permit, and are inconsistent with the plan be reported in the semi-annual emission report.

57. While SE-101 is not a “significant emission unit” under Section B.3. of the Early Reduction Permit, operations at SE-101 could significantly affect the M-Sewer, which is a significant emission unit, as that term is defined in Table B-3 of the Early Reduction Permit. The M-Sewer is fed, after treatment in the CL-610 air stripper, by wastewater flow from SE-101, CL-208, CL-308 and CL-601, among other sources.

58. Sunoco’s startup, shutdown and malfunction records did not identify the shutdown of SE-101. Sunoco’s semi-annual report, dated July 28, 2003 did not identify the shutdown of SE-101.

59. Sunoco’s failure to operate SE-101 according to the terms of its Early Reduction Permit and to identify the shutdown of SE-101 in its startup, shutdown and malfunction records or in the July 28, 2003 semi-annual report as identified in Paragraphs 50 through 58 above constituted violations of Section 112 of the CAA, 42 U.S.C. §7412, the implementing regulations found at 40 C.F.R. Parts 63 and 71, Subpart B, Section 502(a) of the CAA, 42 U.S.C. §7661a(a), and the implementing regulations at 40 C.F.R. §71.12, subjecting the Respondent to an administrative civil penalty pursuant to Section 113(d) of the CAA, 42 U.S.C. §113(d).

C. HON Violations

60. The Facility is subject to the HON regulations promulgated in 40 C.F.R. Part 63, Subpart F, G & H, because it manufactures as a primary product, including phenol, or uses one

of the chemicals listed in Tables 1 & 2 in Subpart F. The HON requirements are incorporated into the Title V Permit.

1. Emission Averaging Violations

61. 40 C.F.R §63.150 establishes procedures for emission averaging under §63.112(f), as an alternative to the provisions of §§63.113 through 63.148.

62. 40 C.F.R § 63.152(c)(5) requires sources that comply with the emission averaging provisions to submit quarterly reports to EPA, Region III and Philadelphia Air Management Services (“AMS”), no later than 60 calendar days after the end of each quarter. This section requires the first quarterly report to be submitted with the Notification of Compliance Status (“NCS”), which is due no later than 5 months after the compliance date specified in §63.100. Based on the compliance extension granted in the Early Reduction Permit, Sunoco’s NCS was due on September 22, 2003.

63. 40 C.F.R §63.152(c)(1) requires semi-annual periodic reports for emission points not included in an emission average.

64. Sunoco’s September 2003 NCS for the Facility indicated that Respondent elected to comply with the emission averaging provisions of 40 C.F.R §63.150, in order to comply with the process vent standards of 40 C.F.R §63.112(f).

65. Pursuant to 40 C.F.R §63.150(b), Sunoco submitted an Implementation Plan to AMS on October 19, 2001, for the Facility’s emission averaging, with addendums provided on July 3, 2002 and February 7, 2003 (the “Implementation Plan”).

66. Sunoco’s Implementation Plan indicates that emissions from OX-801, OX-401 and OX-501 would be used in the emission average.

67. 40 C.F.R. §63.152(c)(2)(ii)(B) allows a specified number of excused excursions of the monitoring parameters for the emission points included in the approved emission averages.

68. From April 2003 through April 2007, Sunoco exceeded the number of excused excursions of the monitoring parameters for the control devices (i.e., the carbon adsorption systems) for at least one semi-annual reporting period at OX-401, for at least four semi-annual reporting periods at OX-501 and for at least eight semi-annual reporting periods at OX-801.

69. 40 C.F.R. § 63.150(e) and (f) sets forth the method to calculate emission credits and debits used in emission averaging.

70. For the years 2003 and 2004 and the first quarter of 2005, Sunoco did not calculate the credits and debits for the emission average in accordance with the regulations for time periods with monitoring excursions. For time periods with monitoring excursions, Sunoco was required to assign maximum debits to the debit-generating emission point (i.e., OX-401) and was not permitted to assign any credits to the credit-generating emission points (i.e., OX-501 and OX-801). Instead, Sunoco assumed that the carbon adsorption systems were operating within acceptable operating parameter ranges and assigned debits and credits without accounting for the monitoring excursions.

71. 40 C.F.R. §63.150(e)(4) requires that the calculated debits for a quarterly period do not exceed the calculated credits for that same period by 1.30.

72. For at least one quarterly monitoring period (July 23 - October 22, 2003), Sunoco violated the requirement that the debits not exceed the credits by more than 1.30.

73. 40 CFR 63.152(c)(5)(ii) requires that Sunoco submit quarterly reports of the credits and debits calculated each month during the quarter, of the demonstration that the debits are not

more than 1.30 times the credits calculated for the quarter and of the values of any inputs to the credit and debit equations that change from month to month.

74. Sunoco failed to provide accurate quarterly reports of the credits and debits for 2003, 2004 and the 1st quarter of 2005.

75. Sunoco failed to provide an accurate demonstration of the debit to credit ratio for the July 23-October 22, 2003 quarterly report.

76. Sunoco failed to provide the values of the inputs to the credit and debit equations that change from month to month in their quarterly reports from September 2003 until March 2005.

77. Sunoco's failure to meet the emission averaging requirements of the HON and the regulations' operation, record keeping and reporting requirements as identified in Paragraphs 60 through 76 above constituted violations of Section 112 of the CAA, 42 U.S.C. §7412, the implementing regulations found at 40 C.F.R. Part 63, Subparts F, G, and H, and Section 502(a) of the CAA, 42 U.S.C. §7661a(a), subjecting the Respondent to an administrative civil penalty pursuant to Section 113(d) of the CAA, 42 U.S.C. §113(d).

2. Aldehyde Drum Vents - Applicability Determination Violations

78. Sunoco utilizes Tanks HT-402, HT-501 and HT-801, respectively, in its "401," "501," and "801" air oxidation processes. The gas streams from these tanks' vents are routed to Tanks VT-401, VT-507 and VT-802, respectively, along with gas streams from other similar tanks including HT-401 in the "401" process, HT-502, HT-504, and VT-504 in the "501" process, and HT-802 and HT-803 in the "801" process. The gas streams from VT-401, VT-507 and VT-802 are directed to the catalytic oxidizer control device after passing through either VT-

605 or VT- 805, which are used primarily as flashback preventers for the catalytic oxidizer. In the event that the catalytic oxidizer is shutdown, the gas streams from the vents from the VT-401, VT-507 and VT-802 can be vented directly to atmosphere. VT-802 can also be vented back to the inlet of the carbon adsorption system.

79. On November 4, 2004, at the request of AMS, EPA determined that the process vent provisions of the HON applied to these vents because the gas streams discharging from VT-507 and VT-802 (when discharging to the catalytic oxidizer control device or atmosphere) are process vents, as defined by 40 C.F.R. §63.101 and further clarified by 40 C.F.R. §63.107(b) through (h).

80. Sunoco has not implemented the procedures required for such regulated vents as specified in 40 C.F.R. §63.150(m) or §§63.113-63.118.

81. Sunoco's failure to implement the vent requirements of the HON as identified in Paragraphs 60 and 78 through 80 above constituted violations of Section 112 of the CAA, 42 U.S.C. §7412, the implementing regulations found at 40 C.F.R. Part 63, Subparts F, G, and H, and Section 502(a) of the CAA, 42 U.S.C. §7661a(a), subjecting the Respondent to an administrative civil penalty pursuant to Section 113(d) of the CAA, 42 U.S.C. §113(d).

D. Benzene Waste NESHAP Violations

82. The Facility is subject to the Benzene Waste NESHAP regulations promulgated at 40 C.F.R. Part 61, Subpart FF because it is a "chemical manufacturing plant."

83. 40 C.F.R §61.355(b) requires that the total annual benzene ("TAB") quantity be determined at the point of generation ("POG"), unless otherwise provided.

84. On June 4, 1990, AlliedSignal submitted a report to EPA indicating that the Facility's TAB was less than 1 Mg/year. The report's calculations show a TAB of 0.63 Mg/year.

85. Since 1990, modifications have been made to the Facility which include, but are not limited to, the installation of OX-801 and associated equipment, the installation of the high-purity phenol unit, and the installation of the alpha methyl styrene distillation unit.

86. In November 2002, Dixon Environmental, Inc., a Sunoco contractor, submitted a report to the Respondent indicating that the Facility had a TAB of less than 10 Mg/year.

87. The November 2002 report did not include the exit streams from CL-208 and CL-308 bottoms as points of generation (POGs). These two streams exit to tank VT-153. Analysis at VT-153 demonstrated a benzene quantity of 8.2 tons per year (7.5 Mg/year). The benzene quantity reported in the June 1990 report for these two streams was 394.52 pounds per year (i.e., 0.20 tons per year) and 211.72 pounds per year (0.11 tons per year), respectively.

88. The November 2002 report did not identify HT-805, Phenolic Pit #1, #2 and #3, VT-218, VT-246, VT-251, VT-326 and VT-103 as POGs. Data from analysis of these streams demonstrated a benzene quantity of at least 0.6 tons per year (0.55 Mg/year). Additional POGs which were not included in the November 2002 calculation included knock-out pots, decanters and waste water collection tanks for OX-401 and OX-501, such as VT-507, HT-504, VT-401 and HT-605.

89. Based on the information provided in the November 2002 report, Sunoco had a TAB of greater than 1 Mg/year.

90. 40 C.F.R § 61.355(a)(5)(ii) requires facilities with less than 1 Mg/year to recalculate the TAB whenever there is a change in the process generating the waste that could cause the total annual benzene quantity from the facility waste to increase to 1Mg/year or more.

91. 40 C.F.R §61.357(b) requires facilities which have a TAB quantity of less than 1Mg/yr to submit reports that update the information submitted per 40 C.F.R §61.357(a) if there is a change in the process generating the waste stream that could cause the TAB quantity to increase to 1 Mg/year or more.

92. 40 C.F.R §61.357(c) requires facilities that have a TAB quantity of less than 10 Mg/yr but equal to or greater than 1 Mg/yr to submit reports that update the information submitted per 40 C.F.R §61.357(a) annually, or if there is a change in the process generating the waste stream that could cause the TAB quantity to increase to 10 Mg/year or more.

93. Sunoco continuously failed to recalculate its TAB or submit reports to update its initial TAB submission based on these changes or the November 2002 report. On January 22, 2007, Sunoco informally notified EPA of its final revised TAB.

94. Sunoco's ongoing failure to timely recalculate and report its June 4, 1990 TAB submission after it had modified the Facility and its process with the replacement of OX-801 for OX-201/202 and OX-301/302, among other modifications, as identified in Paragraphs 82 through 93 above constituted violations of Section 112 of the CAA, 42 U.S.C. §7412, the implementing regulations found at 40 C.F.R. §§ 61.355(a)(5)(ii) and 61.357(b), and Section 502(a) of the CAA, 42 U.S.C. §7661a(a), subjecting the Respondent to an administrative civil penalty pursuant to Section 113(d) of the CAA, 42 U.S.C. §113(d).

IV. Settlement Recitation, Settlement Conditions And Civil Penalty

95. Complainant and Respondent enter into this Consent Agreement, and the attached Final Order, in order to fully settle and resolve all violations set forth in Paragraphs 30, 38, 41, 49, 59, 77, 81, and 94 above.

96. In settlement of the violations set forth in Paragraphs 30, 38, 41, 49, 59, 77, 81 and 94 above, EPA has determined that a civil penalty in the amount of Two-hundred Thousand Dollars (\$200,000), is appropriate.

97. Pursuant to Section 113(e) of the CAA, 42 U.S.C. §7413(e), EPA has considered the statutory enforcement factors set forth therein (which include the size of the business, good faith efforts to comply, the duration of the violation as established by any credible evidence, history of prior violations by the Respondent, the degree of culpability and such other matters as justice may require). EPA has determined that Respondent's payment of the civil penalty shall constitute full and final satisfaction of the violations set forth in Paragraphs 30, 38, 41, 49, 59, 77, 81 and 94 above.

98. Payment of the Two-hundred Thousand Dollars (\$200,000) civil penalty required under Paragraph 96 above, shall be made by Sunoco within (30) thirty calendar days of the date that the attached Final Order is filed with the Regional Hearing Clerk, U.S.EPA, Region III, by sending a certified or cashier's check payable to the "United States Treasury," as follows:

By Regular US Postal Service Mail:

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

By Private Commercial Overnight Delivery:

U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, Missouri 63101

Contact: Natalie Pearson
314-418-4087

Payment of the penalty as required by this CAFO may also be made by electronic transfer to:

Wire Transfers

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")

Automated Clearinghouse (ACH) Transfers

PNC Bank
808 17th Street, NW
Washington, DC 20074
Contact - Jesse White 301-887-6548
ABA = 051036706
Transaction Code 22 - checking
Environmental Protection Agency
Account 310006
CTX Format

Payment by Respondent shall reference Respondent's name and address, and the EPA Docket Number of this CAFO. A copy of Respondent's check or a copy of Respondent's electronic transfer shall be sent simultaneously to:

Regional Hearing Clerk (3RC00)
EPA Region III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029, and

J. Robert Stoltzfus (3RC10)
Assistant Regional Counsel
U.S. Environmental Protection Agency - Region III
1650 Arch Street
Philadelphia, PA 19103-2029

99. If Sunoco fails to make timely payment of the civil penalty set forth in Paragraph 96 above, EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the costs of processing and handling a delinquent debt. 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). In any such collection action, the validity, amount, and appropriateness of this CAFO, or the penalty assessed hereunder, are not subject to review.

100. Each party to this action agrees to pay its own costs and attorney fees. Respondent agrees that it will not seek costs and attorneys fees from the Complainant, the EPA or the federal government, and Complainant agrees that it will not seek costs and attorneys fees from the Respondent.

101. Respondent agrees not to deduct for federal tax purposes the civil penalty specified in, and any civil penalty amount paid pursuant to, this Consent Agreement and the attached Final Order.

V. Effect of Settlement

102. Payment of the penalty specified in Paragraph 96, above, in the manner set forth in Section IV, above, and payment of any applicable interest, handling costs and/or late payment charges, as set forth in Section IV, above, shall constitute full and final satisfaction of all civil claims for penalties for the specific violations alleged in Paragraphs 30, 38, 41, 49, 59, 77, 81, and 94 above. Compliance with this CAFO shall not be a defense to any action commenced at any time for any other violation of any federal laws and regulations administered by EPA.

VI. Reservation of Rights

103. This CAFO resolves only EPA's claims for civil monetary penalties for the specific violations alleged in Paragraphs 30, 38, 41, 49, 59, 77, 81, and 94 of Section III, above. Nothing in this CAFO shall be construed to limit the authority of the EPA and/or the United States to undertake action against any person, including Respondent, in response to any condition which EPA or the United States determines may present an imminent and substantial endangerment to the public health, welfare or the environment. In addition, this settlement is subject to all the limitations on the scope of resolution and to the reservation of rights set forth in Section 22.18(c) of the Consolidated Rules of Practice. Furthermore, Complainant reserves any rights and remedies available to it under the CAA, the regulations promulgated thereunder, and any other federal laws or regulations of which Complainant has jurisdiction, to enforce the provisions of this CAFO following entry of this CAFO.

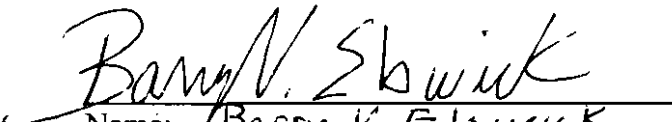
VII. Effective Date

104. The effective date of this Consent Agreement and the accompanying Final Order is the date on which the Final Order is filed with the Regional Hearing Clerk of U.S. EPA, Region III.


VIII. Execution

105. The person signing this Consent Agreement on behalf of the Respondent acknowledges and certifies by his/her signature that he/she is fully authorized to enter into this Consent Agreement and to legally bind the Respondent to the terms and conditions of this Consent Agreement and the accompanying Final Order.

**FOR THE RESPONDENT:
SUNOCO, INC. (R&M)
d/b/a SUNOCO CHEMICALS FRANKFORD PLANT**


Name: Barry V. Elswick Date: 5/21/08
Title: General Manager - Phenol

**FOR THE COMPLAINANT:
UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY, REGION III**


J. Robert Stoltzfus
Assistant Regional Counsel
U.S. EPA, Region III
Date: 6/3/08

The Air Protection Division, United States Environmental Protection Agency, Region III, recommends that the Regional Administrator of U.S. EPA Region III, or his designee, issue the accompanying Final Order.


Judith Katz, Director
Air Protection Division
Date: 6/9/08

**BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Region III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029**

IN RE:

Sunoco, Inc. (R&M)	:	
(d/b/a Sunoco Chemicals Frankford Plant)	:	EPA Docket No. CAA-03-2008-0150
Margaret & Bermuda Streets	:	
Philadelphia, PA 19137	:	Proceeding under Section 113 of the
	:	Clean Air Act, 42 U.S.C. § 7413
Respondent	:	

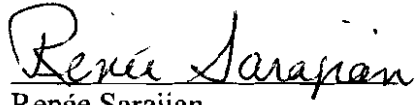
FINAL ORDER

The undersigned accepts and incorporates into this Final Order by reference all provisions set forth in the foregoing Consent Agreement.

NOW THEREFORE, pursuant to 40 C.F.R. §22.18(b)(3), it is hereby ordered that Sunoco, Inc. (R&M), d/b/a Sunoco Chemicals Frankford Plant, which is located at Margaret & Bermuda Streets (“Sunoco” or “Respondent”), pays a civil penalty in the amount of Two-hundred Thousand Dollars (\$200,000). This civil penalty amount was determined after consideration of the statutory factors set forth in Section 113(e) of the CAA, 42 U.S.C. §7413(e), which include the size of the business, good faith efforts to comply, the duration of the violation as established by any credible evidence, history of prior violations by the Respondent, the degree of culpability, and such other matters as justice may require.

The effective date of the accompanying Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk of U.S. EPA Region III.

Date: 6/16/08

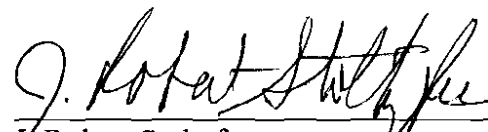

Renée Sarajian
Regional Judicial Officer
U.S. EPA, Region III

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that, on the date provided below, the original and one true and correct copy of the foregoing Consent Agreement and Final Order were hand-delivered to and filed with the Regional Hearing Clerk (3RC30), U.S. EPA, Region III, 1650 Arch Street, Philadelphia, PA, and that a true and correct copy was served via Certified Mail, Return Receipt Requested, upon the following persons:

David Kurland, Esq.
Sunoco, Inc. (R&M)
Mellon Bank Building
1735 Market Street
Suite LL, 27th Floor
Philadelphia, PA 19103-7583

Date: 6/16/08


J. Robert Stoltzfus
Assistant Regional Counsel
U.S. EPA , Region III
(215) 814-2684