

**STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY**

In the Matter of Remedial Action by:

AGREED ORDER

Support Terminals Services, Inc.
(dba NuStar)
(fka ST Services, Valero L.P.)

No. 07-TC-S DE3938

TO: Mr. Joe Aldridge
Remediation Manager
NuStar Energy L P
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San Antonio, TX 78248

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I. INTRODUCTION

The mutual objective of the State of Washington, Department of Ecology (Ecology) and Support Terminals Services, Inc (aka ST Services) a subsidiary of NuStar Energy L.P. under this Agreed Order (Order) is to provide for remedial action at a facility where there has been a release or threatened release of hazardous substances. Hereafter in this document the name, "ST Services" will denote "Support Terminals Services, Inc." This Order is a new instrument that replaces and rescinds the existing Agreed Order No DE 98-TC-S338 to which ST Services is a party. This new Order requires ST Services to complete a Remedial Investigation, implement an Interim Action clean-up at the site, perform a Risk Assessment, and conduct a Feasibility Study in accordance with a stipulated schedule. Ecology believes the actions required by this Order are in the public interest.

II. JURISDICTION

This Agreed Order is issued pursuant to the Model Toxics Control Act (MTCA), RCW 70.105D.050(1).

III. PARTIES BOUND

This Agreed Order shall apply to and be binding upon the Parties to this Order and their successors and assigns. The undersigned representative of each party hereby certifies that he or she is fully authorized to enter into this Order and to execute and legally bind such party to comply with this Order. ST Services agrees to undertake all actions required by the terms and conditions of this Order. No change in ownership or corporate status shall alter ST Services' responsibility under this Order. ST Services shall provide a copy of this Order to all agents, contractors, and subcontractors retained to perform work required by this Order, and shall ensure that all work undertaken by such agents, contractors, and subcontractors complies with this Order.

IV. DEFINITIONS

Unless otherwise specified herein, the definitions set forth in Chapter 70.105D RCW and Chapter 173-340 WAC shall control the meanings of the terms in this Order

A. Site: The Site is referred to as ST Services (Facility Site ID: 1026) and is generally located at 2565 NW Harborside Drive, Port of Vancouver, Vancouver, WA 98660 [Lat: N 45° 38.26'; Long: W 122° 42 20']. The Site is defined by the extent of contamination caused by the release of hazardous substances at the Site. Based upon factors currently known to Ecology, the Site is more particularly described by a site plot photograph (Exhibit A-4) and the Site Diagram (Exhibit A-6) The Site constitutes a Facility under RCW 70.105D.020(4).

B. Parties: Refers to the State of Washington, Department of Ecology and Support Terminals Services, Inc., a subsidiary of NuStar Energy L.P.

C. Potentially Liable Person (PLP): Refers to Support Terminals Services, Inc (dba NuStar Energy L.P.)

D. Agreed Order or Order: Refers to this Order and each of the exhibits to this Order. All exhibits are integral and enforceable parts of this Order. The terms "Agreed Order" or "Order" shall include all exhibits to this Order.

V. FINDINGS OF FACT

Ecology makes the following findings of fact, without any express or implied admissions of such facts by ST Services:

A. NuStar Energy L.P. is the current parent company of ST Services. The former parent, Kaneb Pipeline Partners L.P., was acquired by Valero L.P. in 2005. Valero L.P. subsequently changed its name to NuStar Energy L.P. The facility is known as Support Terminals Services (aka ST Services) and is located at the Port of Vancouver Terminal #2, 2565 NW Harborside Drive, Vancouver, WA 98660.

B. ST Services currently owns and operates a bulk fuel, chemical, and fertilizer receiving, storage, and distribution terminal located within Terminal No. 2 of the Port of Vancouver in Vancouver, Washington. Prior to Kaneb's presence, the facility was owned by

GATX Corporation The real property is owned by and leased from the Port of Vancouver (the Port)

C. An abbreviated legal description of the property is: Property located on Clark County tax lot numbers: 151979-000, 502010-002, 502010-000, and part of 502020-000 and a portion of Washington Department of Natural Resources tideland area managed by the Port. A property map and legal description are attached as Exhibits D and E, respectively. The subject property is approximately 14 acres. The leased property adjoins the Columbia River to the southwest and industrial land or facilities in all other horizontal directions (see Exhibit A-3). Exhibit A-3 is not intended to indicate that the river and sediments thereof are within the Site.

D. Prior to 1994, the facility operations handled chlorinated solvents, including perchloroethylene (syn: PCE, Perc, Perchloroethene, tetrachloroethylene, tetrachloroethene; CAS No. 127-18-4), methylene chloride (syn: methylene dichloride; CAS No. 75-09-2), and 1,1,1-trichloroethane (syn: TCA, methyl chloroform; CAS No. 71-55-6). Products are received and shipments occur by maritime vessels, railroad tank cars, and tank trucks. Blending, transferring, packaging, and warehousing/storage operations are conducted on site.

E. Prior to the issuance of the 1998 Agreed Order DE 98-TC-S338, evidence of releases of hazardous substances had been found in soil and groundwater samples in operational areas of the site. A Site Hazard Assessment was conducted by Ecology in June of 1991 for the purpose of evaluating actual or potential environmental or public health hazards. Several surface and subsurface soil samples were collected and one groundwater monitoring well (EW-1) was installed and sampled. Chlorinated compounds were detected in surface soil samples taken in the ST Services tank area and in the soil samples from the soil boring. Compounds detected in the soil samples included PCE, trichloroethylene (TCE), xylenes, and toluene. Analytical results of groundwater from EW-1 identified the presence of PCE, TCE, TCA, benzene, chloroform, cis-1,2-dichloroethylene (cis-1,2-DCE), trans-1,2-DCE, 1,1-DCE, 1,1-dichloroethane (1,1-DCA), 1,2-DCA, 1,2-dichloropropane, and vinyl chloride (VC).

F. Based on the 1991 Site Hazard Assessment, Ecology assigned the site a number one ranking. A number one ranking category represents the greatest risk to human health and/or the environment while a number five ranking indicates the lowest

G. Between 1993 and 1997, GAIX Corporation owned the terminal assets located within the property boundary identified on Exhibit A-6 and during that period, took independent action to further characterize the site by collecting various surface and subsurface soil samples, completing a soil gas survey and numerous hand-auger and direct-push probe borings, and installing and sampling 17 groundwater monitoring wells. Hazardous substances, including TCE and PCE, were found to exceed MTCA cleanup levels. Specifics on the investigations can be found in the reports entitled *Groundwater Monitoring Report*, November 6, 1995; *1996 Site Characterization Activity Report*, June 13, 1997; and *1997 Site Characterization and Assessment Activities Summary Report*, December 10, 1997.

H. In 1998, subsequent to the above contamination investigations, Agreed Order No 98-TC-5338 was executed and became final after a public review period. Requirements of the 1998 Agreed Order included an Interim Action Pilot Study, an Interim Action, a Remedial Investigation, and a Feasibility Study. A preceding Work Plan submitted for Ecology approval was required for each of the process components.

I. Prior to the 2005 acquisition of ST Services by Valero L P , SECOR International performed environmental consulting work for ST Services. Upon the 2005 acquisition of ST Services by Valero L.P., Ash Creek Associates (ACA) became the principal environmental consulting firm for the company.

J. Soil contaminant concentrations and additional groundwater contaminant data are presented in the Remedial Investigation Report entitled *Final Remedial Investigation Report – Vancouver Terminal – Port of Vancouver Terminal 2*, dated October 19, 2001, and prepared by SECOR International.

K. Soil and groundwater sample analysis data collected by ST Services as part of the Interim Action Pilot Study, the Remedial Investigation, and quarterly groundwater monitoring have reconfirmed the release of hazardous substances at the ST Services facility that presents a

threat to human health and the environment. Ash Creek Associates' July 28, 2006 report entitled *Semi-Annual Groundwater Monitoring Report, January through June 2006; Support Terminals Services; Vancouver Facility; Vancouver, Washington* contains a consolidated set of groundwater contaminant concentration data from 1993 to mid-2006. Over thirty monitoring well locations have been sampled during that period; twenty-nine locations are included in the current sampling regime

L. On December 1, 2005, Ecology received a Work Plan for additional investigations on and off the Port of Vancouver property leased by ST Services. The Work Plan submittal included a detailed task schedule. The Work Plan (Ash Creek Associates report dated November 30, 2005, and entitled *Site Investigation Work Plan; ST Services, Vancouver, Washington*) was approved by Ecology via letter dated April 17, 2006, with conditions. The results of this additional site investigation work were presented in an October 18, 2006 report entitled *Site Investigation Data Summary Report – Support Terminals Services – Vancouver Facility* prepared by Ash Creek Associates. The data provided additional confirmatory evidence of releases of hazardous substances at the ST Services site that presents a threat to human health and the environment

M. A November 28, 2006 report prepared by Ash Creek Associates (ACA) and entitled *Interim Action Analysis – Support Terminals Services Vancouver Facility* was submitted to Ecology. It provided details of an ACA study of potential approaches for Interim Action efforts that would be appropriate and effective for reducing the source-area contaminant concentrations.

N. Early in 2007, three additional groundwater samples were collected from the source area to supplement earlier Interim Action related data gathering (see paragraph M of this Section V, "Findings of Fact"). These samples were analyzed primarily for parameters needed to assess and design enhanced biological treatment, which may be used in conjunction with soil vapor extraction in a targeted Interim Action effort to reduce the contaminants present in the primary source area (also known as the "release area").

O. Clark Public Utilities (CPU) has developed plans to develop a public water supply source by installing wells in the Vancouver lowlands near the Port of Vancouver. This plan has implications on the ST Services site and other sites in or near the Port.

VI. ECOLOGY DETERMINATIONS

A. ST Services is an "owner or operator" as defined in RCW 70.105D.020(12) of a "facility" as defined in RCW 70.105D.020(4).

B. ST Services is a party to Agreed Order No. DE 98-TC-5338, which provides credible evidence of ST Services' meeting the liability criteria pursuant to RCW 70.105D.040, -020(16), and WAC 173-340-500.

C. The substances found at the facility as described in paragraph E of Section V ("Findings of Fact") are "hazardous substances" as defined in RCW 70.105D.020(7).

D. Based upon all factors known to Ecology, a "release" or "threatened release" of "hazardous substance(s)" as defined in RCW 70.105D.020(20) and RCW 70.105D.020(7), respectively, has occurred at the Site.

E. Based upon credible evidence and pursuant to RCW 70.105D.040, -020(16), and WAC 173-340-550, Ecology issued a PLP status letter to ST Services dated March 4, 1998. After providing for notice and opportunity for comment, reviewing any comments submitted, and concluding that credible evidence supported a finding of potential liability, Ecology determined that ST Services was a PLP under RCW 70.105D.040 and notified ST Services of this determination by letter dated September 1, 1998.

F. Pursuant to RCW 70.105D.030(1) and -050(1), Ecology may require PLPs to investigate or conduct other remedial actions with respect to any release or threatened release of hazardous substances, whenever it believes such action to be in the public interest. Based on the foregoing facts, Ecology believes the remedial actions required by this Order are in the public interest.

G. Under WAC 173-340-430, an interim action is a remedial action that is technically necessary to reduce a threat to human health or the environment by eliminating or

substantially reducing one or more pathways for exposure to a hazardous substance, that corrects a problem that may become substantially worse or cost substantially more to address if the remedial action is delayed, or that is needed to provide for completion of a site hazard assessment, remedial investigation/feasibility study or design of a cleanup action. The 1998 Order required an Interim Action pilot study and Interim Action, both of which were conducted. This new Order requires the implementation of additional interim action based on the data beyond those contained in the original Remedial Investigation report, including those presented in the 2006 *Site Investigation Data Summary Report* referenced in paragraph L of Section V (“Findings of Fact”). These data findings warrant an interim action consistent with WAC 173-340-430.

VII. WORK TO BE PERFORMED

Based on the Findings of Fact and Ecology Determinations, it is hereby ordered that ST Services take the following remedial actions at the Site and that these actions be conducted in accordance with Chapter 173-340 WAC unless otherwise specifically provided for herein:

- A. The required Work to be Performed includes the following:
 1. Cooperate in Public Participation Plan efforts in accordance with paragraph H of Section VIII (“Terms and Conditions”), including the preparation of documents requested by Ecology.
 2. Complete supplemental Remedial Investigation site characterization investigations necessary to determine the nature and extent of contamination at the Site. The Site includes property leased from the Port of Vancouver by ST Services as well as areas surrounding the ST Services-leased property that may contain soil, groundwater, and/or surface water contamination originating from the source on the leased property. A supplemental Remedial Investigation work plan must be submitted for Ecology approval prior to implementation.
 3. Monitor groundwater for chemical contaminants and other pertinent parameters on a regular basis in accordance with an Ecology-approved groundwater sampling plan. Groundwater monitoring reports shall be submitted to Ecology.

4. Submit an Interim Action Design and Work Plan to Ecology for approval
5. Implement an Ecology-approved interim action in the proximity of the contaminant source area.
6. Submit a Draft Remedial Investigation report to Ecology for review
7. Submit a Draft Interim Action Summary report to Ecology for review.
8. Submit a Final Remedial Investigation report to Ecology for approval.
9. Submit a Final Interim Action Summary report to Ecology for approval.
10. Conduct a Risk Assessment as required in WC 173-340-7490 through 7494 and submit a Draft Risk Assessment report to Ecology for review.
11. Submit a Final Risk Assessment report to Ecology for approval.
12. Submit a draft Feasibility Study (FS) report to Ecology for review and comment.

This document shall consolidate by inclusion or reference, all necessary information upon which conclusions made in the report are based.

13. Submit a Final Feasibility Study report to Ecology.

The final reports submitted shall incorporate the recommendations contained in Ecology's comments on the respective draft reports, unless the Parties mutually agree otherwise or the recommendations are changed through the dispute resolution process set forth in Section VIII J of this Order.

B. All performance and/or deliverables shall be completed as indicated in Exhibit B, the "Project Schedule."

C. In order to implement this order, SI Services shall prepare and submit for Ecology's review and approval all necessary documents, such as groundwater monitoring reports, quality assurance/quality control plans, engineering design report(s), compliance monitoring plan(s), operations and maintenance plan(s), and as-built reports. Any such deliverable, once approved by Ecology, becomes an integral and enforceable part of this Order. The schedule in Exhibit B specifies that deliverables that have been identified as being required at the time of issuance of this agreed order, plus the schedule by which they must be submitted.

Pursuant to WAC 173-340-350(7)(c)(iv), a Health and Safety Plan and a Sampling and Analysis Plan shall be prepared as part of the Remedial Investigation and Feasibility Study products and shall conform to the requirements specified in WAC 173-340-810 and WAC 173-340-820, respectively. The Health and Safety Plan shall be submitted to Ecology for review; the Sampling and Analysis Plan shall be submitted to Ecology for review and comment. Analytical procedures shall be in accordance with WAC 173-340-830. ST Services shall submit written progress reports to Ecology each quarter while this Order is in effect. Progress reports shall be submitted by electronic mail in portable document format or in an electronic form acceptable to Ecology. Progress reports shall include the following information:

1. A list of activities conducted during the reporting period to implement the requirements of the Order;
2. A description of any deviations from the Order; and
3. A description of any deviations from the schedule and any anticipated deviations in the upcoming reporting period, along with plans for recovering lost time and maintaining compliance with the schedule.

D. If, at any time after the first exchange of comments on drafts, Ecology determines that insufficient progress is being made in the preparation of any of the deliverables required by this Section (VII), Ecology may complete and issue the final deliverable.

VIII. TERMS AND CONDITIONS OF ORDER

A. Public Notice

RCW 70.105D.030(2)(a) requires that, at a minimum, this Order be subject to concurrent public notice. Ecology shall be responsible for providing such public notice and reserves the right to modify or withdraw any provisions of this Order should public comment disclose facts or considerations which indicate to Ecology that this Order is inadequate or improper in any respect.

B. Remedial Action Costs

ST Services shall pay to Ecology costs incurred by Ecology pursuant to this Order and consistent with WAC 173-340-550(2). These costs shall include work performed by Ecology or

its contractors for, or on, the Site under Chapter 70.105D RCW, including remedial actions and Order preparation, negotiation, oversight, and administration. These costs shall include work performed prior to the issuance of this Order, for which ST Services has not previously reimbursed Ecology, as well as work performed subsequent to the issuance of this Order. Ecology's costs shall include costs of direct activities and support costs of direct activities as defined in WAC 173-340-550(2). ST Services shall pay the required amount within ninety (90) days of receiving from Ecology an itemized statement of costs that includes a summary of costs incurred, an identification of involved staff, and the amount of time spent by involved staff members on the project. A general statement of work performed will be provided upon request. Itemized statements shall be prepared quarterly. Pursuant to WAC 173-340-550(4), failure to pay Ecology's costs within ninety (90) days of receipt of the itemized statement of costs will result in interest charges at the rate of twelve percent (12%) per annum, compounded monthly.

Pursuant to RCW 70.105D.055, Ecology has authority to recover unreimbursed remedial action costs by filing a lien against real property subject to the remedial actions.

C. Implementation of Remedial Action

If Ecology determines that ST Services has failed without good cause to implement the remedial action, in whole or in part, Ecology may, after notice to ST Services, perform any or all portions of the remedial action that remain incomplete. If Ecology performs all or portions of the remedial action because of ST Services' failure to comply with its obligations under this Order, ST Services shall reimburse Ecology for the costs of doing such work in accordance with paragraph B ("Remedial Action Costs") of this Section, provided that ST Services is not obligated under this Section to reimburse Ecology for costs incurred for work inconsistent with or beyond the scope of this Order.

Except where necessary to abate an emergency situation, ST Services shall not perform any remedial actions at the Site outside those remedial actions required by this Order, unless Ecology concurs, in writing, with such additional remedial actions.

D. Designated Project coordinators

The project coordinator for Ecology is:

Rod Schmall, Site Manager
Washington Department of Ecology
SWRO – Vancouver Field Office
2108 Grand Blvd.
Vancouver, WA 98661-4624
(360) 690-4798
rosc461@ecy.wa.gov

The project coordinator for ST Services is:

Joe Aldridge, Remediation Manager
NuStar Energy L.P.
2330 North Loop 1604 West
San Antonio, TX 78248
(210) 918-2723
joe.aldridge@nustar.com

Each project coordinator shall be responsible for overseeing the implementation of this Order. Ecology's project coordinator will be Ecology's designated representative for the Site. To the maximum extent possible, communications between Ecology and ST Services and all documents, including reports, approvals, and other correspondence concerning the activities performed pursuant to the terms and conditions of this Order, shall be directed through the project coordinators. The project coordinators may designate, in writing, working level staff contacts for all or portions of the implementation of the work to be performed required by this Order.

Any party may change its respective project coordinator. Written notification shall be given to the other party at least ten (10) calendar days prior to the change.

E. Performance

All geologic and hydrogeologic work performed pursuant to this Order shall be under the supervision and direction of a geologist licensed in the State of Washington or under the direct supervision of an engineer registered in the State of Washington, except as otherwise provided for by Chapters 18.220 and 18.43 RCW.

All engineering work performed pursuant to this Order shall be under the direct supervision of a professional engineer registered in the State of Washington, except as otherwise provided for by RCW 18.43.130.

All construction work performed pursuant to this Order shall be under the direct supervision of a professional engineer or a qualified technician under the direct supervision of a professional engineer. The professional engineer must be registered in the State of Washington, except as otherwise provided for by RCW 18.43.130.

Any documents submitted containing geologic, hydrologic or engineering work shall be under the seal of an appropriately licensed professional as required by Chapter 18.220 RCW or RCW 18.43.130.

ST Services shall notify Ecology in writing of the identity of any engineer(s) and geologist(s), contractor(s) and subcontractor(s), and others to be used in carrying out the terms of this Order, in advance of their involvement at the Site.

F. Access

Ecology or any Ecology authorized representative shall have the full authority to enter and freely move about all property at the Site that ST Services either owns, controls, or has access rights to at all reasonable times for the purposes of, *inter alia*: inspecting records, operation logs, and contracts related to the work being performed pursuant to this Order; reviewing ST Services' progress in carrying out the terms of this Order; conducting such tests or collecting such samples as Ecology may deem necessary; using a camera, sound recording, or other documentary type equipment to record work done pursuant to this Order; and verifying the data submitted to Ecology by ST Services. ST Services may provide an escort to Ecology or Ecology authorized representatives. ST Services shall make all reasonable efforts to secure access rights for those properties within the Site not owned or controlled by ST Services where remedial activities or investigations will be performed pursuant to this Order. Ecology or any Ecology authorized representative shall give reasonable notice before entering any Site property owned or controlled by ST Services unless an emergency prevents such notice. All persons who access the Site pursuant to this Section shall comply with any applicable Health and Safety

Plan(s). Ecology employees and their representatives shall not be required to sign any liability release or waiver as a condition of Site property access

G. Sampling, Data Submittal, and Availability

With respect to the implementation of this Order, ST Services shall make the results of all sampling, laboratory reports, and/or test results generated by it or on its behalf available to Ecology. Pursuant to WAC 173-340-840(5), all sampling data shall be submitted to Ecology in both printed and electronic formats in accordance with Section VII ("Work to be Performed"), Ecology's Toxics Cleanup Program Policy 840 (Data Submittal Requirements), and/or any subsequent procedures specified by Ecology for data submittal.

If requested by Ecology, ST Services shall allow Ecology and/or its authorized representative to take split or duplicate samples of any samples collected by ST Services pursuant to implementation of this Order. ST Services shall notify Ecology seven (7) days in advance of any sample collection or work activity at the Site. Ecology shall, upon request, allow ST Services and/or its authorized representative to take split or duplicate samples of any samples collected by Ecology pursuant to the implementation of this Order, provided that doing so does not interfere with Ecology's sampling. Without limitation on Ecology's rights under paragraph F ("Access"), of this Section VIII, Ecology shall endeavor to notify ST Services seven (7) days prior to any sample collection activity unless an emergency prevents such notice.

In accordance with WAC 173-340-830(2)(a), all hazardous substance analyses shall be conducted by a laboratory accredited under Chapter 173-50 WAC for the specific analyses to be conducted, unless otherwise approved by Ecology.

H. Public Participation

A Public Participation Plan is required for this Site. Ecology shall review any existing Public Participation Plan to determine its continued appropriateness and whether it requires amendment, or if no plan exists, Ecology shall develop a Public Participation Plan alone or in conjunction with ST Services.

Ecology shall maintain the responsibility for public participation at the Site. However, ST Services shall cooperate with Ecology, and shall:

1. If agreed to by Ecology, develop appropriate mailing list, prepare drafts of public notices and fact sheets at important stages of the remedial action, such as the submission of work plans, remedial investigation/feasibility study reports, cleanup action plans, and engineering design reports. As appropriate, Ecology will edit, finalize, and distribute such fact sheets and prepare and distribute public notices of Ecology's presentations and meetings.

2. Notify Ecology's project coordinator prior to the preparation of all press releases and fact sheets and before major meetings with the interested public and local governments. Likewise, Ecology shall notify ST Services prior to the issuance of all press releases and fact sheets and before major meetings with the interested public and local governments. For all press releases, fact sheets, meetings, and other outreach efforts by ST Services that do not receive prior Ecology approval, ST Services shall clearly indicate to its audience that the press release, fact sheet, meeting, or other outreach effort was not sponsored or endorsed by Ecology.

3. When requested by Ecology, participate in public presentations on the progress of the remedial action at the Site. Participation may be through attendance at public meetings to assist in answering questions or as a presenter.

4. When requested by Ecology, arrange and/or continue information repositories to be located at the following locations:

- a. Fort Vancouver Regional Library
1007 E. Mill Plain Blvd.
Vancouver, WA 98663
- b. Ecology's Southwest Regional Office
300 Desmond Dr
Lacey, WA 98504-7775

At a minimum, copies of all public notices, fact sheets, and press releases; all quality assured monitoring data; remedial action plans and reports, supplemental remedial planning documents, and all other similar documents relating to performance of the remedial action required by this Order shall be promptly placed in these repositories.

I. Retention of Records

During the pendency of this Order, and for ten (10) years from the date of completion of work performed pursuant to this Order, ST Services shall preserve all records, reports, documents, and underlying data in its possession relevant to the implementation of this Order and shall insert a similar record retention requirement into all contracts with project contractors and subcontractors. Upon request of Ecology, ST Services shall make all records available to Ecology and allow access for review within a reasonable time. Nothing in this Order is intended by ST Services to waive any right it may have under applicable law to limit disclosure of documents protected by the attorney work-product and/or attorney-client privilege. If ST Services withholds any requested records based on an assertion of privilege, it shall provide Ecology with a privilege log specifying the records withheld and the applicable privilege. No actual data collected on the Site pursuant to this Agreed Order shall be considered privileged.

J. Resolution of Disputes

1. In the event a dispute arises as to an approval, disapproval, proposed change, or other decision or action by Ecology's project coordinator, or an itemized billing statement under paragraph B ("Remedial Action Costs") of this Section VIII, the Parties shall utilize the dispute resolution procedure set forth below.

a. Upon receipt of Ecology's project coordinator's written decision or the itemized billing statement, ST Services, has fourteen (14) days within which to notify Ecology's project coordinator in writing of its objection to the decision or itemized statement.

b. The Parties' project coordinators shall then confer in an effort to resolve the dispute. If the project coordinators cannot resolve the dispute within fourteen (14) days, Ecology's project coordinator shall issue a written decision.

c. ST Services may then request regional management review of the decision. This request shall be submitted in writing to the Southwest Region Toxics Cleanup Section Manager within seven (7) days of receipt of Ecology's project coordinator's written decision.

d. The Section Manager shall conduct a review of the dispute and shall endeavor to issue a written decision regarding the dispute within thirty (30) days of ST Services' request for review. The Section Manager's decision shall be Ecology's final decision on the disputed matter.

2. The Parties agree to only utilize the dispute resolution process in good faith and agree to expedite, to the extent possible, the dispute resolution process whenever it is used.

3. Implementation of these dispute resolution procedures shall not provide a basis for delay of any activities required in this Order, unless Ecology agrees in writing to a schedule extension.

K. Extension of Schedule

1. An extension of schedule shall be granted only when a request for an extension is submitted in a timely fashion, generally at least thirty (30) days prior to expiration of the deadline for which the extension is requested, and good cause exists for granting the extension. All extensions shall be requested in writing. The request shall specify:

- a. The deadline that is sought to be extended;
- b. The length of the extension sought;
- c. The reason(s) for the extension; and
- d. Any related deadline or schedule that would be affected if the extension were granted.

2. The burden shall be on ST Services to demonstrate to the satisfaction of Ecology that the request for such extension has been submitted in a timely fashion and that good cause exists for granting the extension. Good cause may include, but may not be limited to:

- a. Circumstances beyond the reasonable control and despite the due diligence of ST Services, including delays caused by unrelated third parties or Ecology, such as (but not limited to) delays by Ecology in reviewing, approving, or modifying documents submitted by ST Services;
- b. Acts of God, including fire, flood, blizzard, extreme temperatures, storm, or other unavoidable casualty; or

c Endangerment as described in paragraph M (“Endangerment”) of this Section VIII.

However, neither increased costs of performance of the terms of this Order nor changed economic circumstances shall be considered circumstances beyond the reasonable control of ST Services

3 Ecology shall act upon any written request for extension in a timely fashion. Ecology shall give ST Services written notification of any extensions granted pursuant to this Order. A requested extension shall not be effective until approved by Ecology. Unless the extension is a substantial change, it shall not be necessary to amend this Order pursuant to paragraph L (“Amendment of Order”) of this Section VIII when a schedule extension is granted.

4. An extension shall only be granted for such period of time as Ecology determines is reasonable under the circumstances. Ecology may grant schedule extensions exceeding ninety (90) days only as a result of:

- a. Delays in the issuance of a necessary permit which was applied for in a timely manner;
- b. Other circumstances deemed exceptional or extraordinary by Ecology; or
- c. Endangerment as described in paragraph M (“Endangerment”) of this Section VIII.

L. Amendment of Order

The project coordinators may verbally agree to minor changes to the work to be performed without formally amending this Order. Minor changes will be documented in writing by Ecology within seven (7) days of verbal agreement.

Except as provided in paragraph N (“Reservation of Rights”) of this Section VIII, substantial changes to the work to be performed shall require formal amendment of this Order. This Order may only be formally amended by the written consent of both Ecology and ST Services. ST Services shall submit a written request for amendment to Ecology for approval. Ecology shall indicate its approval or disapproval in writing and in a timely manner after the written request for amendment is received. If the amendment to this Order represents a

substantial change, Ecology will provide public notice and opportunity to comment. Reasons for the disapproval of a proposed amendment to this Order shall be stated in writing. If Ecology does not agree to a proposed amendment, the disagreement may be addressed through the dispute resolution procedures described in paragraph J (“Resolution of Disputes”) of this Section VIII.

M. Endangerment

In the event Ecology determines that any activity being performed at the Site is creating or has the potential to create a danger to human health or the environment on or surrounding the Site, Ecology may direct SI Services to cease such activities for such period of time as it deems necessary to abate the danger. SI Services shall immediately comply with such direction.

In the event SI Services determines that any activity being performed at the Site is creating or has the potential to create a danger to human health or the environment, SI Services may cease such activities. SI Services shall notify Ecology’s project coordinator as soon as possible but no later than twenty-four (24) hours after making such determination or ceasing such activities. Upon Ecology’s direction, SI Services shall provide Ecology with documentation of the basis for the determination or cessation of such activities. If Ecology disagrees with SI Services’ cessation of activities, it may direct SI Services to resume such activities.

If Ecology concurs with or orders a work stoppage pursuant to paragraph M (“Endangerment”) of this Section VIII, SI Services’ obligations with respect to the ceased activities shall be suspended until Ecology determines the danger is abated, and the time for performance of such activities, as well as the time for any other work dependent upon such activities, shall be extended in accordance with paragraph K (“Extension of Schedule”) of this Section VIII for such period of time as Ecology determines is reasonable under the circumstances.

Nothing in this Order shall limit the authority of Ecology, its employees, agents, or contractors to take or require appropriate action in the event of an emergency.

N. Reservation of Rights

This Order is not a settlement under Chapter 70.105D RCW. Ecology's signature on this Order in no way constitutes a covenant not to sue or a compromise of any of Ecology's rights or authority. Ecology will not, however, bring an action against ST Services to recover remedial action costs paid to and received by Ecology under this Order. In addition, Ecology will not take additional enforcement actions against ST Services regarding remedial actions required by this Order, provided ST Services complies with this Order.

Ecology nevertheless reserves its rights under Chapter 70.105D RCW, including the right to require additional or different remedial actions at the Site should it deem such actions necessary to protect human health and the environment and to issue orders requiring such remedial actions. Ecology also reserves all rights regarding the injury to, destruction of, or loss of natural resources resulting from the release or threatened release of hazardous substances at the Site.

O. Transfer of Interest in Property

No voluntary conveyance or relinquishment of title, easement, leasehold, or other interest in any portion of the Site shall be consummated by ST Services without provision for continued implementation of all requirements of this Order and implementation of any remedial actions found to be necessary as a result of this Order.

Prior to ST Services' transfer of any interest in all or any portion of the Site, and during the effective period of this Order, ST Services shall provide a copy of this Order to any prospective purchaser, lessee, transferee, assignee, or other successor in said interest; and, at least thirty (30) days prior to any transfer, ST Services shall notify Ecology of said transfer. Upon transfer of any interest, ST Services shall restrict uses and activities to those consistent with this Order and notify all transferees of the restrictions on the use of the property.

P. Compliance with Applicable Laws

1. All actions carried out by ST Services pursuant to this Order shall be done in accordance with all applicable federal, state, and local requirements, including requirements to obtain necessary permits, except as provided in RCW 70.105D.090. The permits or specific

federal, state, or local requirements that the agency has determined are applicable and that are anticipated at the time of entry of this Order have been identified in Exhibit C (Applicable Permits and Substantive Requirements).

2 Pursuant to RCW 70.105D.090(1), ST Services is exempt from the procedural requirements of Chapters 70.94, 70.95, 70.105, 77.55, 90.48, and 90.58 RCW and of any laws requiring or authorizing local government permits or approvals. However, ST Services shall comply with the substantive requirements of such permits or approvals. The exempt permits or approvals and the applicable substantive requirements of those permits or approvals anticipated at the time of entry of this Order, have been identified in Exhibit C (Applicable Permits and Substantive Requirements).

ST Services has a continuing obligation to determine whether additional permits or approvals addressed in RCW 70.105D.090(1) would otherwise be required for the remedial action under this Order. In the event either Ecology or ST Services determines that additional permits or approvals addressed in RCW 70.105D.090(1) would otherwise be required for the remedial action under this Order, it shall promptly notify the other party of its determination. Ecology shall determine whether Ecology or ST Services shall be responsible to contact the appropriate state and/or local agencies. If Ecology so requires, ST Services shall promptly consult with the appropriate state and/or local agencies and provide Ecology with written documentation from those agencies of the substantive requirements those agencies believe are applicable to the remedial action. Ecology shall make the final determination on the additional substantive requirements that must be met by ST Services and on how ST Services must meet those requirements. Ecology shall inform ST Services in writing of these requirements. Once established by Ecology, the additional requirements shall be enforceable requirements of this Order. ST Services shall not begin or continue the remedial action potentially subject to the additional requirements until Ecology makes its final determination.

3 Pursuant to RCW 70.105D.090(2), in the event Ecology determines that the exemption from complying with the procedural requirements of the laws referenced in RCW 70.105D.090(1) would result in the loss of approval from a federal agency that is

necessary for the State to administer any federal law, the exemption shall not apply and ST Services shall comply with both the procedural and substantive requirements of the laws referenced in RCW 70.105D.090(1), including any requirements to obtain permits.

Q. Indemnification

ST Services agrees to indemnify and save and hold the State of Washington, and its employees and agents, harmless from any and all claims or causes of action for death or injuries to persons or for loss or damage to property to the extent arising from or on account of acts or omissions of ST Services, its officers, employees, agents, or contractors in entering into and implementing this Order. However, ST Services shall not indemnify the State of Washington nor save nor hold its employees and agents harmless from any claims or causes of action to the extent arising out of the negligent acts or omissions of the State of Washington, or the employees or agents of the State, in entering into or implementing this Order.

IX. SATISFACTION OF ORDER

The provisions of this Order shall be deemed satisfied upon ST Services' receipt of written notification from Ecology that ST Services has completed the remedial activity required by this Order, as amended by any modifications, and that ST Services has complied with all other provisions of this Agreed Order.

X. ENFORCEMENT

Pursuant to RCW 70.105D.050, this Order may be enforced as follows:

A. The Attorney General may bring an action to enforce this Order in a state or federal court.

B. The Attorney General may seek, by filing an action, if necessary, to recover amounts spent by Ecology for investigative and remedial actions and orders related to the Site.

C. In the event ST Services refuses, without sufficient cause, to comply with any term of this Order, ST Services will be liable for:

a. Up to three (3) times the amount of any costs incurred by the State of Washington as a result of its refusal to comply; and

b. Civil penalties of up to twenty-five thousand dollars (\$25,000) per day for each day it refuses to comply.

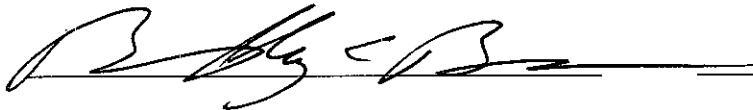
D. This Order is not appealable to the Washington Pollution Control Hearings Board.

This Order may be reviewed only as provided under RCW 70.105D.060.

Effective date of this Order: _____

SUPPORT TERMINALS SERVICES, INC.
(dba NuStar)

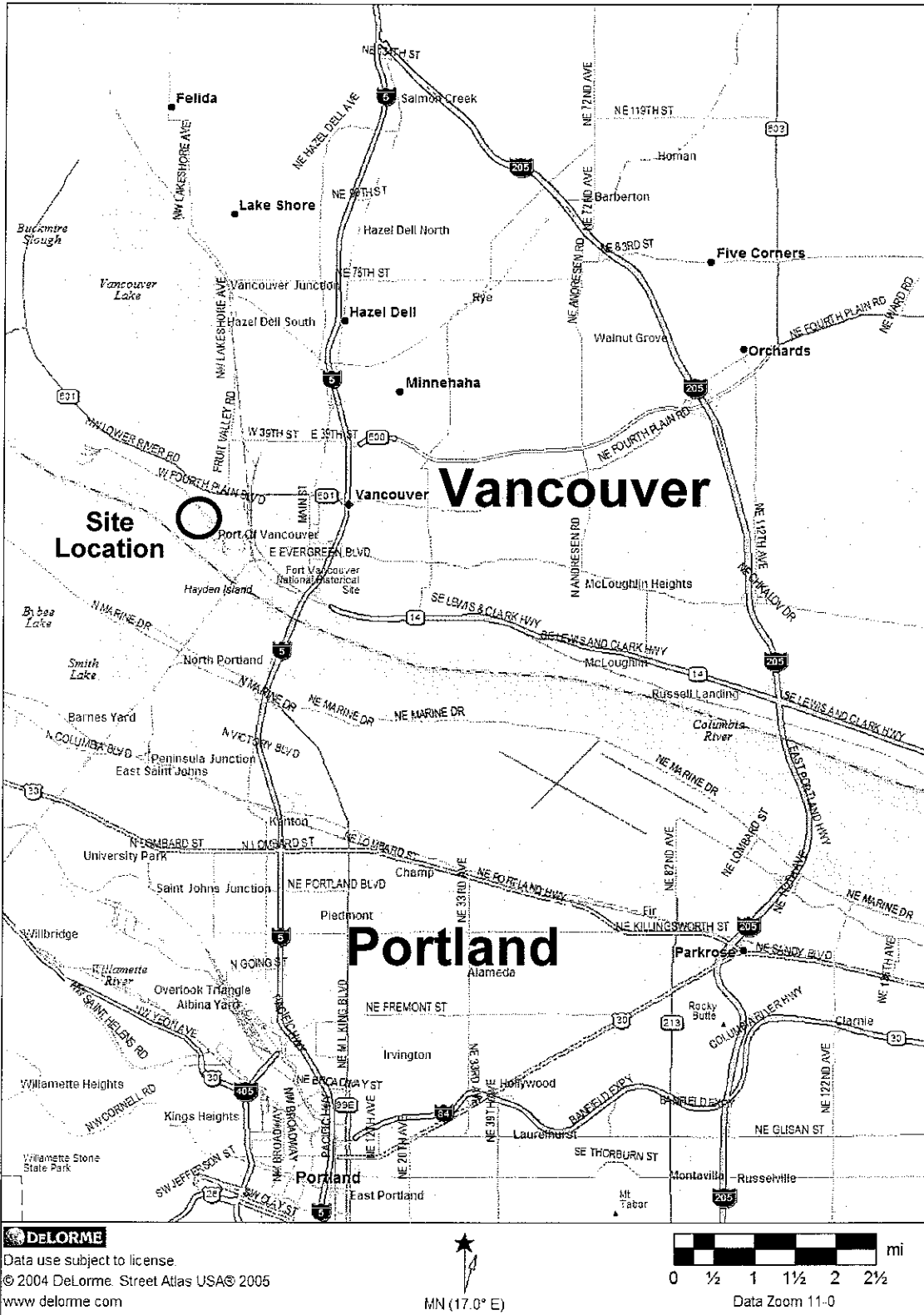
STATE OF WASHINGTON,
DEPARTMENT OF ECOLOGY



Bradley Barron
General Counsel and Senior Vice President
Support Terminals Services, Inc.
(210) 918-2106

Rebecca S. Lawson, P.E., LHG
Section Manager / Toxics Cleanup Program
Southwest Regional Office / Lacey, WA
(360) 407-6241

EXHIBIT A-1

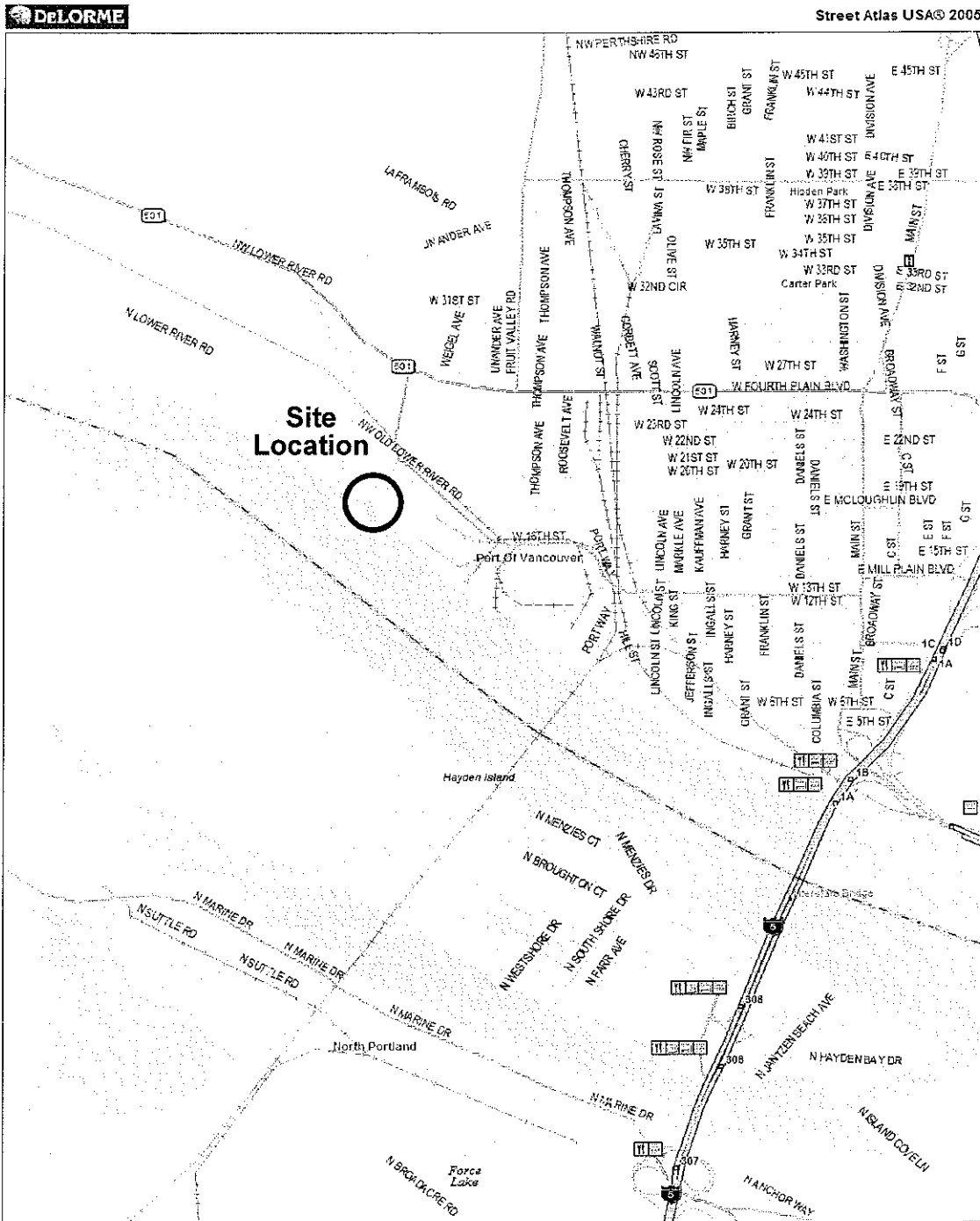


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EXHIBIT A-2



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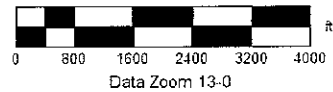


EXHIBIT A-3

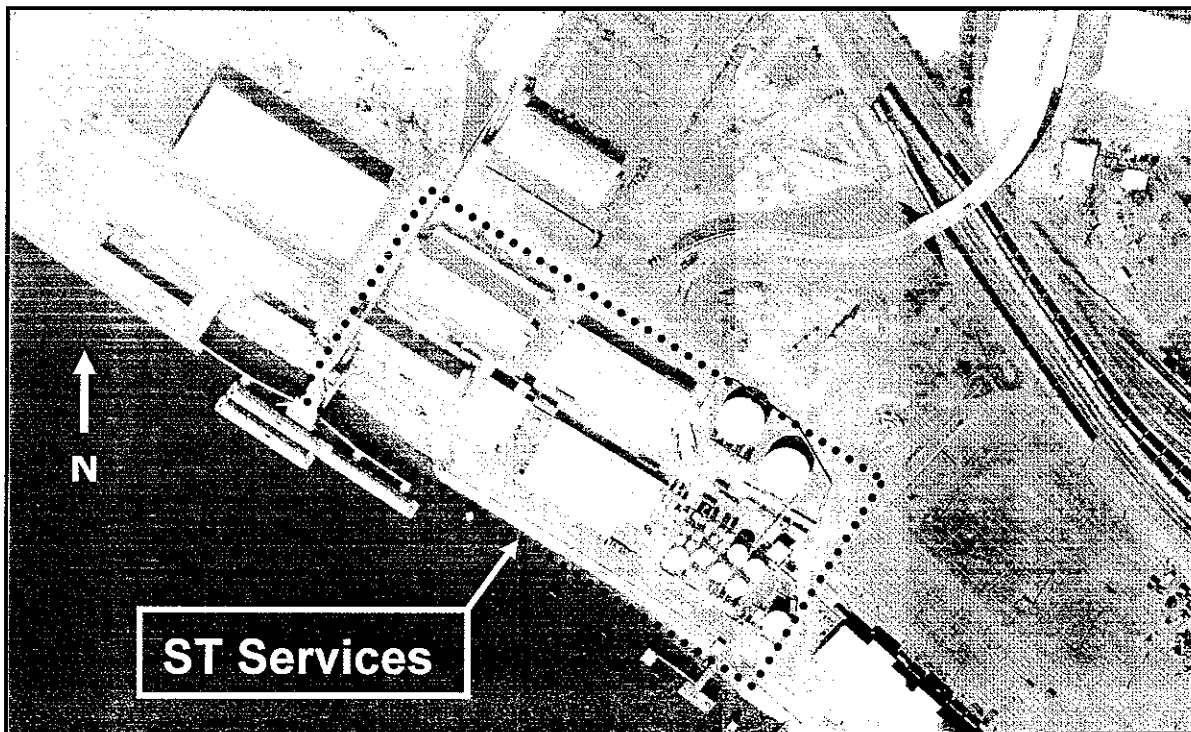
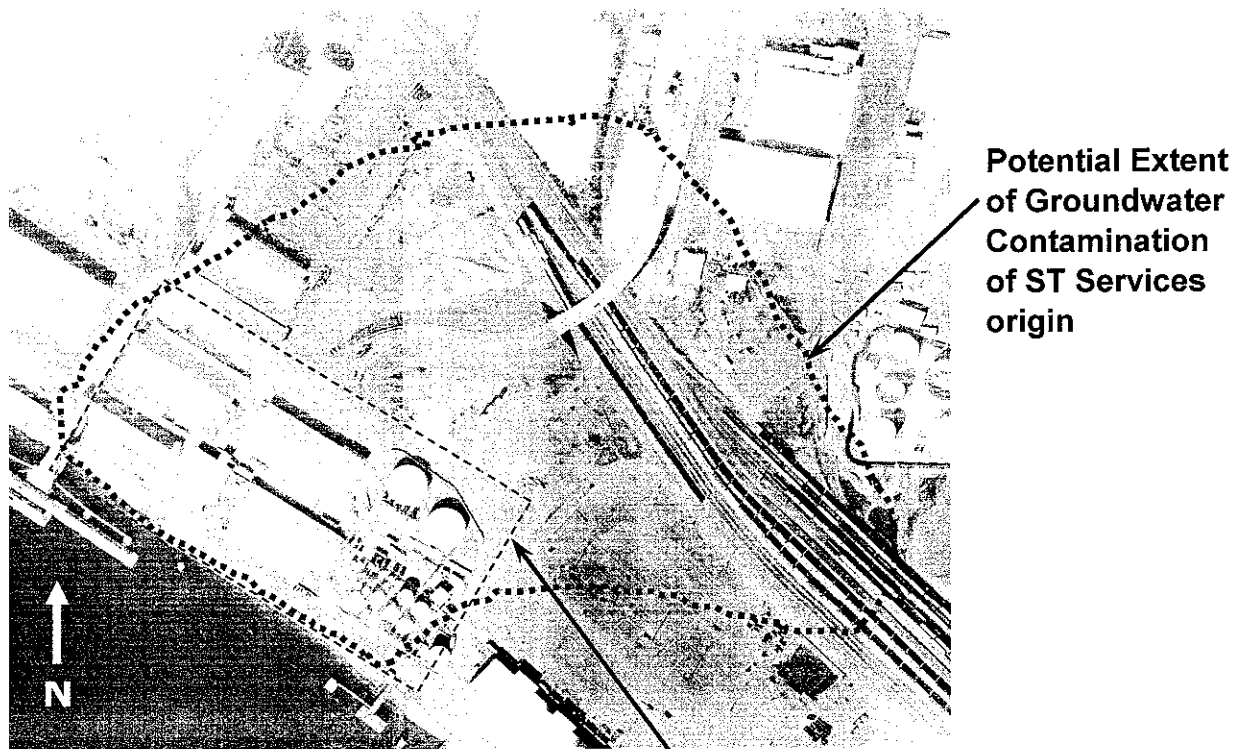


EXHIBIT A-4

Estimated/approximate contamination boundaries:

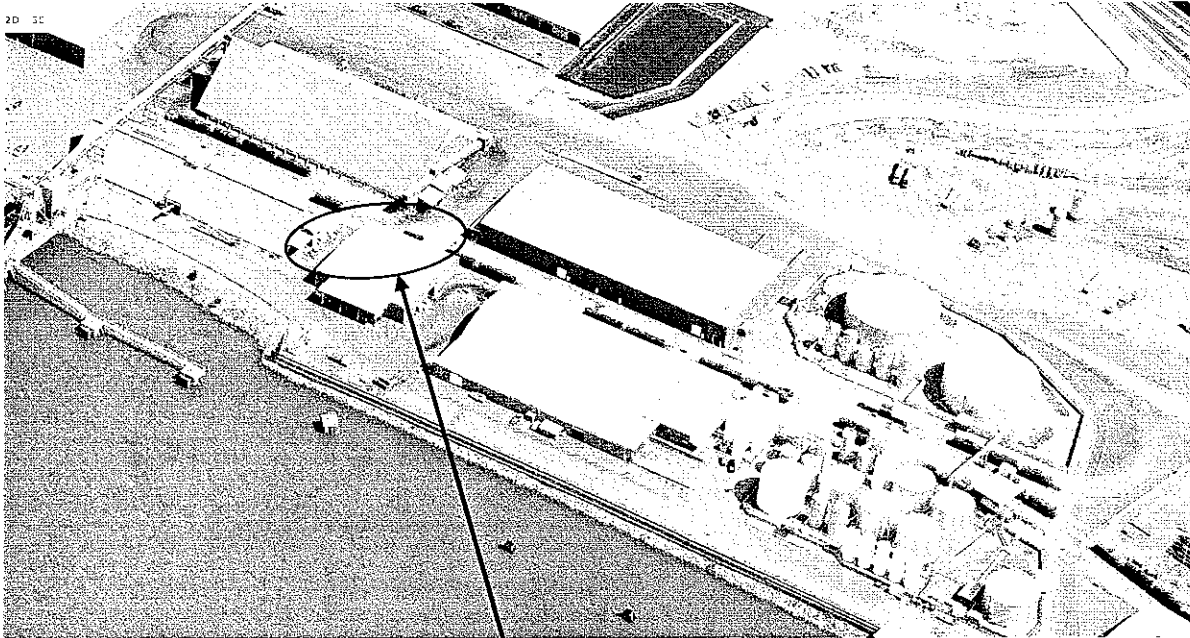


**Potential Extent
of Groundwater
Contamination
of ST Services
origin**

**Known & Probable
Groundwater Contamination**

0.25 mile

EXHIBIT A-5



**Primary Contaminant
Source Area**

EXHIBIT A-6

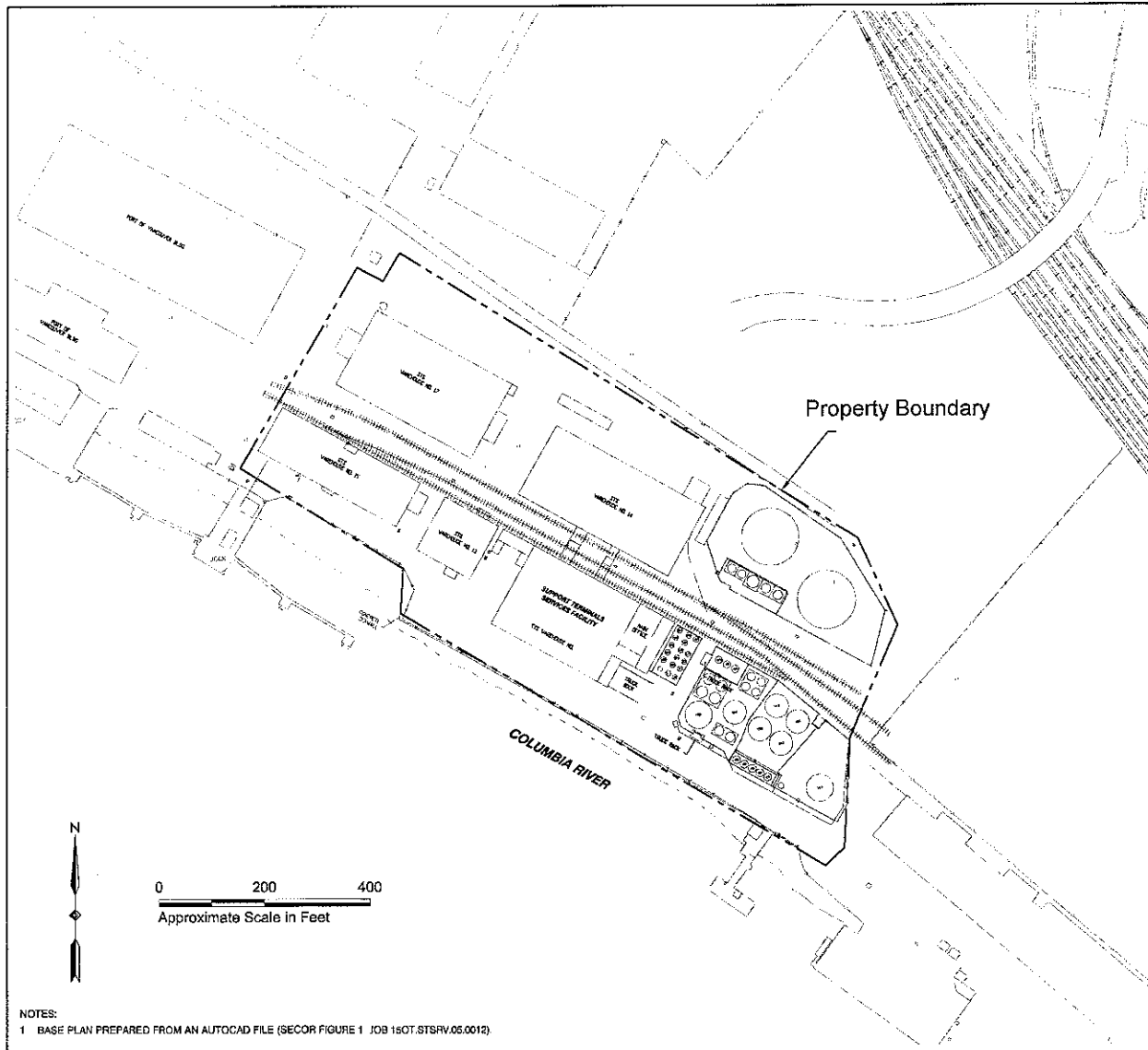


EXHIBIT B**Project Schedule**

Refer to Section VII (Work to be Performed)

Performance or Deliverable	Start, Completion, or Submittal Date
Public Participation per Sect. VIII - H	Per WAC 173-340-600
Submittal of Remedial Investigation Work Plan	Within 60 days of effective date of AO
Submittal of Interim Action Design and Work Plan	Within 15 days of effective date of AO
Implementation of Interim Action	Per Ecology's approval of IA Work Plan
Submittal of Draft Remedial Investigation report	Within ten months of effective date of AO
Submittal of Draft Risk Assessment report	Within ten months of effective date of AO
Submittal of Draft Interim Action Summary report	Within 18 months of effective date of AO
Submittal of Draft Feasibility Study report	Within 24 months of effective date of AO
Submittal of Final RI/IA/RA/FS reports	Within 45 days of receiving Ecology's comments on the Draft FS

This schedule assumes a maximum of one month review and approval time for Ecology's review of draft documents.

"AO" = Agreed Order
 "RI" = Remedial Investigation
 "IA" = Interim Action
 "RA" = Risk Assessment
 "FS" = Feasibility Study

EXHIBIT C

Applicable Permits and Substantive Requirements

Work performed shall be in accordance within the
Substantive requirements of the following laws:

- Chapter 70.150D RCW (Model Toxics Control Act), and Chapter 173-340 WAC (MTCA Regulations)
- Chapter 70.105 RCW (Washington State Hazardous Waste Management Act), and Chapter 173-303 WAC (State Dangerous Waste Regulations)
- Chapter 90.48 RCW (State Water Pollution Control Act)
- Chapter 70.95 RCW (Solid Waste Management – Reduction and Recycling)
- Chapter 70.94 RCW (Washington Clean Air Act) and any required permits by the Southwest Clean Air Agency (SWCAA)
- Chapter 173-160 RCW (Minimum Standards for Construction and Maintenance of Wells)
- Chapter 43.21C RCW (State Environmental Policy Act), and Chapter 197-11 WAC (State Environmental Policy Act Rules)
- Washington Industrial Safety and Health Act (WISHA)
- Applicable City of Vancouver Municipal Codes
- Applicable Clark County Municipal Codes

EXHIBIT D

Legal Description of Subject Property

(Leased from the Port of Vancouver)

12584LD
07/24/98
GOF/md

Mackay & Sposito Inc.

ENGINEERS SURVEYORS PLANNERS

1703 MAIN STREET VANCOUVER, WASHINGTON 98660

WASHINGTON (360) 695-3411 FAX (360) 695-0833 OREGON (503) 289-8726 EMAIL msinc@e-z.net



LEGAL DESCRIPTION
PORT OF VANCOUVER
GATX LEASE PARCEL
VANCOUVER, WASHINGTON

Real Property situated in the City of Vancouver, Clark County, Washington, lying in Sections 20, 21, 28 and 29, Township 2 North, Range 1 East of the Willamette Meridian, more particularly describes as follows:

Beginning at a 2 inch diameter iron pipe marking the Northwest corner of the Amos Short Donation Land Claim as shown in Book 39 of Surveys at Page 125, records of said county; thence along the West line of said Short Donation Land Claim South 02° 19' 42" West, 1526.22 feet; thence North 87° 40' 18" West, 2296.43 feet to the TRUE POINT OF BEGINNING of the lease parcel to be described; thence South 16° 50' 30" West, 154.51 feet; thence South 21° 14' 24" West, 79.29 feet; thence South 05° 33' 34" West, 136.62 feet; thence South 35° 58' 26" West, 57.92 feet; thence North 58° 08' 10" West, 492.27 feet; thence South 31° 51' 50" West, 16.00 feet; thence North 58° 08' 10" West, 333.76 feet; thence North 03° 06' 01" West, 19.52 feet; thence North 58° 08' 10" West, 57.20 feet; thence North 24° 26' 00" East, 23.87 feet; thence North 23° 29' 21" West, 63.48 feet; thence North 55° 09' 59" West, 134.70 feet; thence North 58° 14' 47" West, 226.64 feet; thence North 31° 41' 55" East, 158.79 feet; thence South 58° 08' 10" East, 3.00 feet; thence North 31° 41' 55" East, 235.05 feet; thence South 58° 18' 05" East, 48.48 feet; thence North 31° 41' 55" East, 120.62 feet; thence South 52° 07' 20" East, 372.77 feet; thence South 53° 26' 39" East, 431.74 feet; thence South 53° 07' 07" East, 209.69 feet; thence South 28° 08' 12" East, 161.58 feet to the TRUE POINT OF BEGINNING

Containing 625,969 square feet or approximately 14 370 acres

Subject to easements and restrictions of record

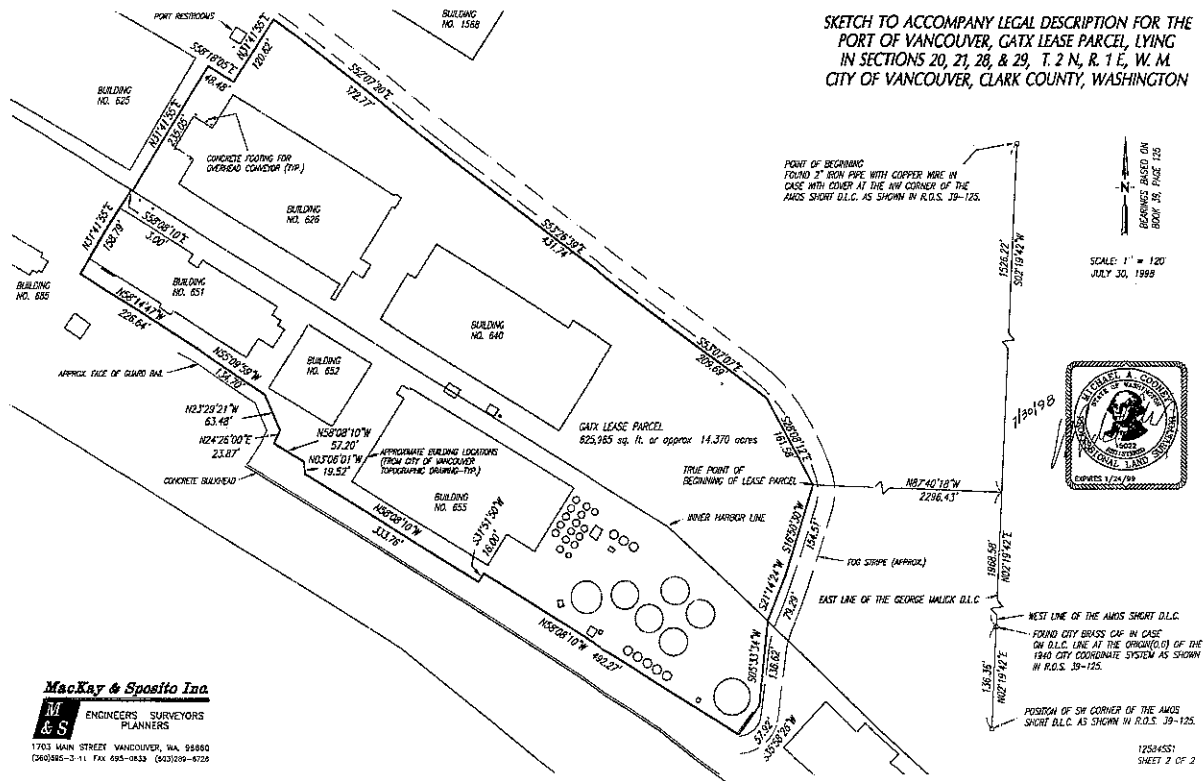


7/30/98

Note: GATX was the facility owner/leaseholder immediately prior to ST Services

EXHIBIT E

Property Map – Legal



Note: GATX was the facility owner/leaseholder immediately prior to ST Services