



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

2108 Grand Boulevard • Vancouver, Washington 98661-4622 • (360) 690-7171

January 16, 2014

Patty Boyden
Director of Environmental Services
Port of Vancouver
3103 NW Lower River Road
Vancouver, WA 98660

Joe Aldridge
Remediation Manager
NuStar Energy L.P.
P.O. Box 781689
San Antonio, TX 78278

Re: Administrative Process Explanation, Revised Project Schedules and Minor Amendment to Agreed Orders for Port of Vancouver - Swan Manufacturing Company and Cadet Manufacturing Company (Ecology Facility Identification Number 85381664) and NuStar Energy L.P. (Ecology Facility Identification Number 1026) Sites, Vancouver, Washington

Dear Ms. Boyden and Mr. Aldridge:

The purpose of this letter is to inform you of changes to the present Agreed Order (AO) schedules for the above referenced sites. These changes are necessitated by the Ecology-accepted decision by both parties to jointly conduct a Feasibility Study (FS) and prepare a FS report for the combined site area. This letter contains a bulleted list of expected future tasks and an administrative process explanation for completing project remediation. A revision of AO's project schedules is included as Attachment A. Also a signature page for the Minor Amendment to Agreed Orders is included as Attachment B.

The site area is defined by contaminants from the three primary sources areas currently addressed by the Port of Vancouver (port) and NuStar Energy L.P. (NuStar). The port is currently responsible for cleanup of contamination from source areas at the former Swan Manufacturing Company (SMC) and the currently operating Cadet Manufacturing Company (Cadet) under Agreed Order (AO) Number 07-TC-S DE5189. NuStar Energy (NuStar) is responsible for cleanup of contamination from the source area within the Port of Vancouver terminal No. 2 under Agreed Order Number 07-TC-S DE3938.

Agreed Order Schedule Alignment

Ecology informed the port and NuStar in letters dated December 21, 2011 and September 24, 2012 that groundwater contamination plumes from their source areas were commingled and are considered one plume; and, the parties responsible for cleanup of the source areas and contaminated groundwater have joint-and-several liability for the entire plume. Ecology was subsequently informed in a teleconference meeting with the port and NuStar on October 8, 2012, that they are working collaboratively on a cleanup remedy for the entire plume-defined Site.

The port and NuStar informed Ecology at a joint meeting on November 21, 2013, that they were jointly preparing a FS report that would be submitted to Ecology on March 11, 2014. Ecology accepted the new FS submittal date. However, the agreed orders referenced above include separate schedules for the individual FS report submittals. The FS submittal dates in the original agreed orders will be superseded by the new FS submittal date for the joint FS of March 11, 2014. This AO revision process allows for a verbal agreement

between Ecology, NuStar and the port to be memorialized via a written revision (see attached Minor Amendment to Agreed Orders). Ecology considers this schedule modification to be a minor change to the existing AO's for the port and NuStar, which will not require a public notice or comment period. The amendment will be signed by NuStar, the port and Ecology. The amendment is being routed so all signatures are included on the same page starting with the port. Ecology is requesting the port sign first and forward to NuStar for signature. Ecology is requesting NuStar, after signing; return the signature page to Ecology via:

Kim Cross
Department of Ecology
P.O. Box 47775
Olympia, WA 98504-7775

Ecology will sign the amendment and assign an effective date and submit copies of the signed amendment to the port and NuStar with an acknowledgement letter.

Future Tasks and Administrative Process Explanation

Included here is a summary of the future tasks and the administrative process Ecology anticipates pursuing to complete project cleanup efforts. Dates for tasks detailed below will be included in the yet-to-be-prepared combined-site AO and Consent Decree (CD) for the cleanup action plan.

- Review and comment or sign AO Amendment for aligning submittal schedules for the jointly prepared draft FS report.
- Bring Swan/Cadet and NuStar under one combined project name and one Facility Site ID Number and Cleanup Site Number.
- Ecology prepares draft AO to combine Swan/Cadet and NuStar projects under one order to develop a preliminary-draft Cleanup Action Plan (DCAP). Assign project managers for each party (one each for NuStar, the port, and Ecology).
- Ecology receives and reviews, the draft FS report and provides comments.
- Ecology receives final FS report and provides approval for use in public comment period.
- Ecology, NuStar and the port review and negotiate the AO (for the preparation of the preliminary DCAP) and approve as ready for public comment period.
- Ecology opens comment period for public review of the separate Swan/Cadet and NuStar Remedial Investigation (RI) reports, the combined FS report, and the AO (for the preparation of the preliminary DCAP).
- Ecology compiles public and internal comments from comment period.
- Ecology approves RI and FS reports and the AO as final documents.
- The port and NuStar prepare and submit the preliminary DCAP for Ecology review and comment.
- Ecology prepares and submits draft CD for port and NuStar review and comment.
- Ecology, NuStar and the port review and negotiate the preliminary DCAP and draft CD.
- Ecology, NuStar and the port agree the CAP and CD are ready for public comment period.
- Ecology prepares CAP and CD documents for public review period.
- Ecology opens comment period for public review of the CAP and CD.
- Ecology compiles public and internal comments from comment period.
- Ecology approves CAP and CD as final documents.
- Port and NuStar implement CAP.

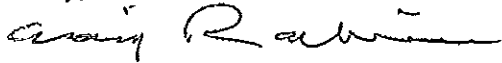
Port of Vancouver and NuStar L.P.

Page 3 of 5

Date: January 16, 2014

If you have any questions or want to discuss items in this letter, please contact Craig Rankine at (360) 690-4795 or by e-mail at Craig.Rankine@ecy.wa.gov.

Sincerely,



Craig Rankine, RG, LHG
Site Manager/Hydrogeologist
Toxics Cleanup Program
Vancouver Field Office

CR/lc

Enclosures: Attachment A: Revision to Agreed Order Project Schedules
Attachment B: Minor Amendment to Agreed Orders

cc: Rick Wadsworth, Rick Malin and Richard Roche, Parametrix Inc, Portland, OR
Renee Robinson, NuStar Energy L.P., San Antonio, TX
Karen Thompson, NuStar Terminal Services, Inc, San Antonio, TX
Amanda Spencer and Stephanie Bosze Salisbury, Apex Companies, Portland OR
Rebecca Lawson, Ecology Southwest Regional Office, Lacey, WA
Andy Smith, Ecology Southwest Regional Office, Lacey, WA
Rod Schmall, Ecology, Vancouver Field Office
Ivy Anderson, Olympia, WA
Ecology Southwest Regional Office Records Center, Lacey, WA

Attachment A

**REVISION TO AGREED ORDERS PROJECT SCHEDULES
for Port of Vancouver, Exhibit B and NuStar Energy, Exhibit G**

Performance or Deliverable	Amended Performance or Deliverable	Current Timing	Amended Timing
Port of Vancouver Agreed Order No. 07-TC-S DE5189			
Submit Draft FS Report	No change	Within 6 months of approval of Final Interim Action Summary Report	March 11, 2014
Ecology will provide comments on Draft FS Report	No change	Within 3 months of receiving Draft FS Report	No change
Submit Final FS Report	No change	Within 3 months of receiving Ecology comments on the Draft FS Report	No change
Ecology approve Final FS Report	Ecology approve Final FS Report (public comment period ready)	Within 3 months of receiving Final FS Report	Within 30 days of receiving Final FS Report
NuStar Energy L.P. Agreed Order No. 07-TC-S DE3938			
Draft Feasibility Study Report for Ecology review and approval	No change	30 days following receipt of Ecology approval of RI	March 11, 2014
Final Feasibility Study Report	No change	30 days after receipt of Ecology comments on the draft Feasibility Study Report	Within 3 months of receiving Ecology comments on the Draft FS Report
None	Ecology approve Final FS Report (public comment period ready)	None	Within 30 days of receiving Final FS Report

Note: Ecology has approved Final RI Reports from Port of Vancouver and NuStar Energy L.P. for use in public comment period.

Attachment B

MINOR AMENDMENT TO AGREED ORDERS
No's. 07-TC-S DE5189 and 07-TC-S DE3938

Effective date of the Minor Amendment _____

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY
Toxics Cleanup Program
Southwest Regional Office

Rebecca Lawson, PE, LHG
TCP SW Region Section Manager

Date

PORT OF VANCOUVER

Patty Boyden
Director of Environmental Services

Date

NUSTAR TERMINALS SERVICES, INC.

Karen Thompson
General Counsel and Senior Vice President

Date



OR

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

2108 Grand Boulevard • Vancouver, Washington 98661-4622 • (360) 690-7171

February 5, 2014

Patty Boyden
Director of Environmental Services
Port of Vancouver
3103 NW Lower River Road
Vancouver, WA 98660

Joe Aldridge
Remediation Manager
NuStar Energy L.P.
P.O. Box 781689
San Antonio, TX 78278

Re: Minor Amendment to Agreed Order No. 07-TC-S DE5189 for Port of Vancouver and Agreed Order No. 07-TC-S DE3938 for NuStar Energy L.P., (as formally amended on May 23, 2011 with subsequent Exhibit G "Project Schedule" revision by Ecology letter dated February 29, 2012) Vancouver, Washington

Dear Ms. Boyden and Mr. Aldridge:

Enclosed are copies of the revised project schedules and the signed minor amendment to the above-referenced Agreed Orders. Under the terms of Section VIII Item L of the referenced Agreed Orders, the Washington State Department of Ecology (Ecology), the Port of Vancouver and NuStar Energy L.P. agreed to the following minor modification of the Agreed Orders. Ecology determined that the proposed change is not a substantial modification to the Agreed Orders and therefore formal amendments to the Orders are unnecessary and public comment is not required.

Sincerely,

Craig Rankine, RG, LHG
Site Manager/Hydrogeologist
Toxics Cleanup Program
Vancouver Field Office

CR/lc

Enclosures

Attachment A: Revision to Agreed Orders Project Schedules

Attachment B: Signed Minor Amendment to Agreed Orders No. 07-TC-S DE5189 and 07-TC-S DE3938.

By certified mail: 7011 0470 0002 9304 6662 and 7011 0470 0002 9304 6679

cc: Rick Wadsworth, Rick Malin and Richard Roche, Parametrix Inc, Portland, OR
Renee Robinson, NuStar Energy L.P., San Antonio, TX
Amanda Spencer and Stephanie Bosze Salisbury, Apex Companies, Portland OR
Rebecca Lawson and Andy Smith, Ecology Southwest Regional Office, Lacey, WA
Ivy Anderson, Olympia, WA
Rod Schmall, Ecology Southwest Regional Office, Vancouver, WA Field Office
Ecology Southwest Regional Office Records Center, Lacey, WA

**REVISION TO AGREED ORDERS PROJECT SCHEDULES
for Port of Vancouver, Exhibit B and NuStar Energy, Exhibit G**

Performance or Deliverable	Amended Performance or Deliverable	Current Timing	Amended Timing
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Ecology approve Final FS Report	Ecology approve Final FS Report (public comment period ready)	Within 3 months of receiving Final FS Report	Within 30 days of receiving Final FS Report
NuStar Energy L.P. Agreed Order No. 07-TC-S DE3938			
Draft Feasibility Study Report for Ecology review and approval	No change	30 days following receipt of Ecology approval of RI	March 11, 2014
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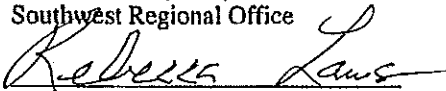
Note: Ecology has approved Final RI Reports from Port of Vancouver and NuStar Energy L.P. for use in public comment period.

Attachment B

MINOR AMENDMENT TO AGREED ORDERS
No.'s. 07-TC-S DE5189 and 07-TC-S DE3938

Effective date of the Minor Amendment January 22, 2014

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY
Toxics Cleanup Program
Southwest Regional Office



Rebecca Lawson, PE, LHG
TCP SW Region Section Manager

1/24/2014
Date

PORT OF VANCOUVER


Patty Boyden
Director of Environmental Services

January 17, 2014
Date

NUSTAR TERMINALS SERVICES, INC.


Karen Thompson
General Counsel and Senior Vice President

Jan 22, 2014
Date



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

2108 Grand Boulevard • Vancouver, Washington 98661-4622 • (360) 690-7171

February 25, 2014

Patty Boyden
Director of Environmental Services
Port of Vancouver
3103 NW Lower River Road
Vancouver, WA 98660

Joe Aldridge
Remediation Manager
NuStar Energy L.P.
P.O. Box 781689
San Antonio, TX 78278

Re: Correction to the Minor Amendment to Agreed Order No. 07-TC-S DE5189 for Port of Vancouver and Agreed Order No. 07-TC-S DE3938 for NuStar Energy L.P.,

Dear Ms. Boyden and Mr. Aldridge:

A corrected version of the signature page (Attachment B in Ecology's February 5, 2014 letter) for the Minor Amendment is enclosed. The date of January 22, 2014 was not reflective of the last signature date of January 24, 2014. The effective date of the Minor Amendment has been changed from January 22 to January 24, 2014 (see enclosure).

Sincerely,

Craig Rankine, RG, LHG
Site Manager/Hydrogeologist
Toxics Cleanup Program
Vancouver Field Office

CR/lc

Enclosure

Attachment B: Signed Minor Amendment to Agreed Orders No. 07-TC-S DE5189 and 07-TC-S DE3938 with corrected date.

By certified mail: 7011 0470 0002 9304 6686 and 7011 0470 0002 9304 6693

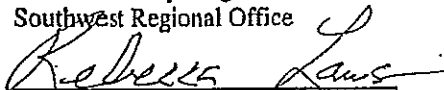
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Renee Robinson, NuStar Energy L.P., San Antonio, TX
Amanda Spencer and Stephanie Bosze Salisbury, Apex Companies, Portland OR
Rebecca Lawson and Andy Smith, Ecology Southwest Regional Office, Lacey, WA
Ivy Anderson, Olympia, WA
Rod Schmall, Ecology Southwest Regional Office, Vancouver, WA Field Office
Ecology Southwest Regional Office Records Center, Lacey, WA
Karen Thompson, NuStar Energy L.P., San Antonio, TX

Attachment B

MINOR AMENDMENT TO AGREED ORDERS
No.'s. 07-TC-S DE5189 and 07-TC-S DE3938

Effective date of the Minor Amendment January 24, 2014

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY
Toxics Cleanup Program
Southwest Regional Office


Rebecca Lawson, PE, LHG
TCP SW Region Section Manager

1/24/2014
Date

PORT OF VANCOUVER


Patty Boyden
Director of Environmental Services

January 17, 2014
Date

NUSTAR TERMINALS SERVICES, INC.


Karen Thompson
General Counsel and Senior Vice President

Jan 22, 2014
Date