

**Appendix B**  
**PBF Energy vs DNREC**  
**History of Fines 2011-2019**

Date of Fine	Amount of Fine	Reason for Fine	Date of Settlement	Settlement Amount	Net Payment	Future Value Uncollected Fine
7/24/2013	\$529,230	<p>16 Separate emissions violations over prior years</p> <p>On July 24, 2013, the Delaware Department of Natural Resources and Environmental Control (“DNREC”) issued a Notice of Administrative Penalty Assessment and Secretary’s Order to Delaware City Refining for alleged air emission violations that occurred during the re-start of the refinery in 2011 and subsequent to the re-start. The penalty assessment seeks \$460,200 in penalties and \$69,030 in cost recovery for DNREC’s expenses associated with investigation of the incidents. We dispute the amount of the penalty assessment and allegations made in the order, and are in discussions with DNREC to resolve the assessment. It is possible that DNREC will assess a penalty in this matter but any such amount is not expected to be material to us.</p>				<p>None</p> <p>2013 Value \$529,230</p> <p>CPI - 6 years 10%</p> <p>Lost interest \$52,393.77</p> <p>2019 Value \$581,623.77</p>
4/7/2015	\$118,000	<p>NPDES Violations fine</p> <p>On April 7, 2015, DNREC issued a Notice of Violation (W-15-SWD-01) alleging violations of the Delaware City refinery’s NPDES discharge permit during the period between December 12, 2014 through January 4, 2015. On March 5, 2018, a settlement agreement was finalized resolving the alleged violations contained in the April 7, 2015 Notice of Violation, as well as additional alleged violations occurring during the period between January 2014 through January 2018. Pursuant to this settlement agreement, the Delaware City refinery was either going to pay a penalty of \$ 30,000 and fund an approved Environmental Improvement Project (“EIP”) in the amount of \$88,000 , or pay a penalty in the amount of \$118,000 . A cost recovery payment of \$7,433 will be assessed in either case. The Delaware City refinery has elected to pay the \$30,000 penalty and fund the EIP in the amount of \$88,000 . The Delaware City refinery has paid the penalty and the cost recovery payment and will fund the approved EIP as soon as the project scope is finalized.</p>	3/5/2018	\$118,000	\$0	
3/10/2017	\$150,000	<p>Illegal shipment of Crude to Philadelphia</p> <p>The Delaware City refinery is appealing a Notice of Penalty Assessment and Secretary’s Order issued in March 2017, including a \$150,000 fine, alleging violation of a 2013 Secretary’s Order authorizing crude oil shipment by barge. DNREC determined that the Delaware City refinery had violated the order by failing to make timely and full disclosure to DNREC about the nature and extent of those shipments, and had misrepresented the number of shipments that went to other facilities. The Penalty Assessment and Secretary’s Order conclude that the 2013 Secretary’s Order was violated by the refinery by shipping crude oil from the Delaware City terminal to three locations other than the Paulsboro refinery, on 15 days in 2014, making a total of 17 separate barge shipments containing approximately 35.7 million gallons of crude oil in total. On April 28, 2017, the Delaware City refinery appealed the Notice of Penalty Assessment and Secretary’s Order. On March 5, 2018, Notice of Penalty Assessment was settled by DNREC, the Delaware Attorney General and Delaware City refinery for \$100,000. The Delaware City refinery made no admissions with respect to the alleged violations and agreed to request a Coastal Zone Act status decision prior to making crude oil shipments to destinations other than Paulsboro.</p>	4/28/2017	\$100,000	-\$50,000	
<b>Total Fines:</b>	<b>\$797,230</b>	<p>The calculation performed here ignores the time value of money, for example, fines billed in 2013 not collected through 2019. There is a state cost of capital loss associated with delayed collection that adds materially to DNREC’s ineptitude of enforcement</p>				
<b>Total Collected:</b>	<b>\$218,000</b>					
<b>% collected</b>	<b>27.34%</b>					
				<b>\$218,000</b>		