

Five Year Extension Agreement

The Agreement dated March 27, 2009, by & between the Union County Utilities Authority and ConocoPhillips Company, regarding ID Type 27 Waste from Bayway Refinery, is hereby extended to be effective for an additional five years covering January 1, 2015 through December 31, 2019.

IN WITNESS WHEREOF, the parties have caused this Extension Agreement to be signed by their duly authorized representatives.

UNION COUNTY UTILITIES AUTHORITY

By: _____
James Huff,
Chairman

By: *Daniel P. Sullivan*
Daniel P. Sullivan,
Executive Director

PHILLIPS 66 COMPANY

By: *D.J. Cunningham*
Darren J. Cunningham
Refinery Manager

AGREEMENT

THIS AGREEMENT is made and entered into on this 27th day of March, 2009 by and between the **Union County Utilities Authority** (the "UCUA"), a public body corporate and politic of the State of New Jersey with principal offices at 1499 Routes 1 and 9 North, Rahway, New Jersey 07065, and

ConocoPhillips Company ("ConocoPhillips"), a Delaware Corporation, with principal offices at 600 North Dairy Ashford, Houston, Texas, 77079.

WITNESSETH:

WHEREAS ConocoPhillips is the owner and operator of the Bayway Refinery located at 1400 Park Avenue, Linden, New Jersey 07036; and

WHEREAS, pursuant to the Solid Waste Management Act, N.J.S.A. 13:1E-1 et seq. (the "SWMA"), each county within the State of New Jersey is designated a solid waste management district with responsibility for the development of a solid waste management plan setting forth the solid waste disposal strategy to be applied in the district; and

WHEREAS, the Board of Chosen Freeholders of the County of Union (the "County") has adopted the Union County District Solid Waste Management Plan, as amended from time to time (the "County Plan"); and

WHEREAS, the County has designated the UCUA as the agency responsible for implementing the County Plan; and

WHEREAS, the County adopted a series of amendments to the County Plan as supplemented by an administrative action adopted by the UCUA resulting in the issuance of two Certifications by the New Jersey Department of Environmental Protection ("NJDEP") dated July 20, 1998 and June 1, 1999 which were clarified by the NJDEP on June 29, 1999, re-establishing mandatory flow control over all Solid Waste Types 13, 13C, 23 and 27 ("Non-Processible Waste") generated within the County and further directing all Non-Processible Waste to the County's designated disposal facility at that time, the Hackensack Meadowlands Development Commission, following and pursuant to a non-discriminatory procurement; and

WHEREAS, thereafter, in order to respond to concerns raised by some generators as to future liability pertaining to the disposal of certain Non-Processible Waste, in particular ID Type 27, on the basis that the particular characteristics of this waste necessitated special handling and disposal to ensure total destruction, on December 15, 1999 the UCUA adopted an administrative action to the County Plan to allow all such generators to dispose of this waste at permitted facilities of their selection provided the generator entered into a written agreement with the UCUA containing certain material terms (the "December 15, 1999 Administrative Action"); and

WHEREAS, following NJDEP's approval of the December 15, 1999 Administrative Action on January 13, 2000, the UCUA engaged in discussions with affected generators, including

this Agreement; and shall promptly provide documentation of a technical and permit nature to the UCUA, if requested, demonstrating that all such applicable standards have been met.

Section 2. Access to Records.

- A. ConocoPhillips agrees to provide the UCUA with access to, and copies of, records and documents of the following:
 - (1) The number of tons of ID 27 Waste produced as part of its refining operations and related activities, and caused to be disposed of by ConocoPhillips at the Greentree Landfill for the period commencing as of January 1, 2005, and continuing throughout the term of this Agreement;
 - (2) The site of generation of ID 27 Waste produced as part of its refining operations and related activities;
 - (3) The date of each shipment, waste type delivered, name of the transporter, and site of disposal of ID 27 Waste produced as part of its refining operations and related activities in Linden, NJ;
- B. This information shall be provided monthly by ConocoPhillips to the UCUA.

Section 3. Payment of UCUA Rate Component.

- A. Although ConocoPhillips disputes that any amount is owed to the UCUA, within thirty (30) days of the execution of this agreement, ConocoPhillips shall make a lump sum payment to the UCUA in the amount of \$254,543.58. Such lump sum payment represents the balance of all outstanding Approved Rate Component (as set forth in paragraph D & E in this section) payments deemed by the UCUA to be owed to the UCUA by ConocoPhillips arising out of all ID 27 Solid Waste produced as part of ConocoPhillips' refining operations and related activities in Linden, NJ and caused to be disposed of by ConocoPhillips at Greentree during the time period covering January 1, 2005 through December 31, 2008. The total number of tons of ID 27 Solid Waste generated at ConocoPhillips' Union County, NJ facilities during the specified time period and subsequently disposed of at the Greentree Landfill is 35,517.96 tons; and further that all such ID 27 Solid Waste was caused to be disposed of by ConocoPhillips at Greentree Landfill.
- B. ConocoPhillips shall, by no later than April 1, 2009, make an additional payment to the UCUA in an amount to be determined so that the total amount paid to the UCUA for the indicated time period shall equal the total number of tons of all ID 27 Solid Waste produced as part of ConocoPhillips' refining operations and related activities in Linden, New Jersey and caused to be disposed of by ConocoPhillips during the time period covering January 1, 2009 through February 28, 2009, multiplied by the now current Approved Rate Component of \$29.12 per ton.

alleged failure to pay all Rate Component monies owed to the UCUA by ConocoPhillips for all ID 27 Solid Waste produced as part of ConocoPhillips' refining operations and related activities in Linden, NJ and caused to be disposed of by ConocoPhillips at Greentree during the time period covering January 1, 2005 through December 31, 2008.

Section 5. Miscellaneous

- A. This Agreement is expressly conditioned upon any approvals which are currently or may prospectively be required by the NJDEP or any other regulatory or enforcement authority to render this Agreement valid and enforceable. To the extent that it is required to do so, the UCUA will exercise due diligence to obtain any and all such approvals to which it is subject and ConocoPhillips will cooperate to the extent required by the UCUA or the regulatory or enforcement authority in that regard. Concurrently, to the extent that it is required to do so, ConocoPhillips will exercise due diligence to obtain any and all such approvals to which it is subject and the UCUA will cooperate to the extent required of it by ConocoPhillips or the applicable regulatory or enforcement authority in that regard.
- B. In the event that ConocoPhillips breaches a material provision of this Agreement, including a breach of its obligation to provide the records referred to in Section 1, above; and/or a breach of its obligation to pay the UCUA Approved Rate Component referred to in Section 2, above, the UCUA may, in its sole discretion, (1) terminate this Agreement upon thirty (30) days written notice to ConocoPhillips Company, and/or (2) file an action seeking damages or other relief against ConocoPhillips.
- C. Regardless of the level of compliance exercised by the UCUA as required hereinabove, ConocoPhillips shall use due diligence and otherwise employ its best efforts to keep apprised of any Amendments to the County Plan, including but not limited to changes in the Approved Rate Component, that may affect the terms and conditions of this Agreement and ConocoPhillips' other independent obligations to comply with the County Plan.
- D. In the event that the UCUA breaches its obligation to provide written notice of a change in the Approved Rate Component referred to in Section 3, ¶ F above, ConocoPhillips shall only be responsible for payment of the new Approved Rate Component for all Type 27 waste delivered by or on behalf of ConocoPhillips under the terms of this Agreement subsequent to its receipt of actual written notice of such change as described in Section 3.
- E. In the event that any provision of this Agreement shall be determined for any reason to be invalid, illegal, or unenforceable in any respect by any court of competent jurisdiction the parties hereto shall negotiate in good faith and agree to such amendments, modifications or supplements of or to this Agreement or to such other appropriate actions as, to the maximum extent practicable in light of such determination, shall implement and give effect to the intentions of the parties as reflected herein. Notwithstanding such determination, such determination shall not invalidate or render any other provision hereof unenforceable.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives.

Union County Utilities Authority

By: Edward J. Kahn
Edward Kahn,
Chairman

By: Suhil K. Garg
Suhil K. Garg, Ph.D., Esq.
Executive Director

ConocoPhillips Company

By: J. Michael Kenney
J. Michael Kenney,
Refinery Manager

ADDENDUM 1 TO AGREEMENT

By and among the Union County Utilities Authority (“UCUA”), and the Phillips 66 Company (“Phillips 66”), a Delaware Corporation, with its principal office located at 3010 Briarpark Dr., Houston, Texas 77042,

1. Section 5 of the Agreement, (a copy of which is attached hereto) of which this Addendum shall hereby become a part, is modified and a Paragraph O. is added as follows:

“O. All references to “ConocoPhillips” within the Agreement shall, as of May 2012 onward, refer to “Phillips 66”.”

2. Section 5, Paragraph H. of the Agreement, of which this Addendum shall hereby become a part, is modified and shall be replaced in its entirety as follows:

“H. This Agreement shall, upon full execution, be in effect for a period of five (5) years covering January 1, 2015 to December 31, 2019. This Agreement may be extended for an additional period, upon mutual agreement of the parties, provided that one party provides written notice to the other party on or before November 1, 2019 of the party’s intent to extend the Agreement.”

3. Section 5, Paragraph I. of the Agreement, of which this Addendum shall hereby become a part, is modified and shall be changed as follows:

“I. All written notices to be provided under this Agreement by the UCUA to Phillips 66 shall be addressed as follows: Attn: Refinery Manager and Solid Waste Engineer, Bayway Refinery, Phillips 66, 1400 Park Avenue, Linden, New Jersey, 07036.

All written notices to be provided under this Agreement to the UCUA by Phillips 66 shall be addressed as follows: Attn: Executive Director, Union County Utilities Authority, 1499 Routes 1 & 9 North, Rahway, NJ 07065.”

4. No other modifications to the terms of the Agreement are authorized by this Addendum 1, other than those set forth above. All other terms of the Agreement shall remain in full force and effect.

5. This Addendum shall become effective only upon execution by all parties hereto. It is understood, however, that the Agreement and this Addendum may be executed in counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute one and the same Agreement and Addendum.

<<<<< SIGNATURE PAGE FOLLOWS >>>>>

UNION COUNTY UTILITIES AUTHORITY

ATTEST:

DATED: _____

By: _____
James Huff,
Chairman, UCUA

ATTEST:

Shira M. daSilva
DATED: 11-12-2014

By: Daniel P. Sullivan
Daniel P. Sullivan
Executive Director, UCUA

PHILLIPS 66 COMPANY

ATTEST:

Anthony J. Leake
DATED: 11-11-14

By: D. J. Cunningham
(Sign Name)
Darren J. Cunningham
(Print Name)
Refinery Manager
(Print Title)