

SOUTH COAST AQMD  
CLERK OF THE BOARD

2025 JUN -5 AM 10:35

PETITION FOR VARIANCE  
BEFORE THE HEARING BOARD OF THE  
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

RV  
7/10/25

PETITIONER: Chevron USA INC.

CASE NO: 831-406

FACILITY ID: 002526

FACILITY ADDRESS: 15359 Oxnard St, Van Nuys, CA 91411

[location of equipment/site of violation; specify business/corporate address, if different, under Item 2, below]

City, State, Zip: 15359 Oxnard St, Van Nuys, CA 91411

1. TYPE OF VARIANCE REQUESTED (more than one box may be checked; see Attachment A, Item 1, before selecting)

☒ INTERIM ☐ SHORT ☒ REGULAR ☐ EMERGENCY ☐ EX PARTE EMERGENCY

2. CONTACT: Name, title, company (if different than Petitioner), address, and phone number of persons authorized to receive notices regarding this Petition (no more than two authorized persons).

Tam Bui

Terrence Leonard

SoCal Operations Manager

HSE Specialist

15359 Oxnard St, Van Nuys, CA Zip 91411

15359 Oxnard St, Van Nuys, CA Zip 91411

☎ ( 714 ) 719-5136 Ext.

☎ ( 310 ) 466-5085 Ext.

Fax ( )

Fax ( )

E-mail [tambui@chevron.com](mailto:tambui@chevron.com)

E-mail [terrence.leonard@chevron.com](mailto:terrence.leonard@chevron.com)

RECLAIM Permit ☐ Yes ☒ No

Title V Permit ☒ Yes ☐ No

**Persons with disabilities may request this document in an alternative format by contacting the Clerk of the Board at 909-396-2500 or by e-mail at [clerkofboard@aqmd.gov](mailto:clerkofboard@aqmd.gov).**

**If you require disability-related accommodations to facilitate participating in the hearing, contact the Clerk of the Board at least five (5) calendar days prior to the hearing.**

**[ALL DOCUMENTS FILED WITH CLERK'S OFFICE BECOME PUBLIC RECORD]**

4. **GOOD CAUSE:** Explain why your petition was not filed in sufficient time to issue the required public notice. (Required only for Emergency and Interim Variances; see Attachment A, Item 4)

The Chevron Van Nuys Bulk Fuel Loading facility submitted an expedited permit application to install a replacement Vapor Recovery System (VRS) during June 2024 to replace the existing VRU with four breakdown events in 2024.

With the belief that paying the expedited fee would provide ample time for Chevron to receive permit approval for construction, installation, and operation of the new VRU prior to the mandatory source testing completion date of July 31, 2025, for the existing VRU.

However, this did not work out as projected. It should be cognizant that Chevron received approval for the submitted Source Testing Protocol for the current VRU and is able to conduct this testing if the variance is not granted.

Chevron recognizes it was on oversight for not recognizing the pending source test earlier (i.e., during the budgeting and recommendation to purchase a replacement VRU). Otherwise, this Variance request would have been submitted much earlier.

5. Briefly describe the type of business and processes at your facility.

The facility is a bulk terminal receiving fuels from refinery, storing fuel in storage tanks, and transporting fuel into cargo trucks for distribution to gas stations. Storage tank and loading rack emissions are controlled by vapor recovery unit controlling emissions with carbon adsorbers and monitoring emissions with a Continuous Monitoring System (CMS).



6. List the equipment and/or activity(s) that are the subject of this petition (see Attachment A, Item 6, Example #1). **Attach copies of the Permit(s) to Construct and/or Permit(s) to Operate for the subject equipment. For RECLAIM or Title V facilities, attach *only* the relevant sections of the Facility Permit showing the equipment or process and conditions that are subject to this petition. You must bring the entire Facility Permit to the hearing.**

Equipment/Activity	Application/ Permit No.	RECLAIM Device No.	Date Application/Plan Denied (if relevant)*
Vapor Recovery Unit	A/N 634931/ PTO: G70577		

\*Attach copy of denial letter

7. Briefly describe the activity or equipment, and why it is necessary to the operation of your business. A schematic or diagram may be attached, in addition to the descriptive text.

The vapor recovery unit (VRU) captures emissions from four loading racks, which includes four storage tanks containing petroleum distillates and gasoline blending materials with a vapor pressure of 11 psia or less under actual storage conditions.

The facility must cease operation whenever the VRU is inoperable due to malfunction, which has been occurring more frequently in the past two years.

During the downtime, Chevron rents a similar unit from an approved contractor, Envent. A recent cost estimate for a five-day rental is approximately \$112,000.

8. Is there a regular maintenance and/or inspection schedule for this equipment? Yes ☒ No ☐  
If yes, how often: \_\_\_\_\_ CMS./ Date of last maintenance and/or inspection \_\_\_\_\_. Describe the maintenance and/or inspection that was performed.

The vapor recovery unit (VRU) has a continuous monitoring system. Truck loading operations and blower sending vapors to VRU cease when CMS measures the VOC exhaust from the VRU at 0.64%. The CMS has audible and visible alarms when concentration reaches 80% of this limit. Calibration tests occur daily. The CMS and VRU is required to be source tested every 60 months. The last source test was conducted July 21 and 22 of 2020.

9. List all District rules, and/or permit conditions [indicating the specific section(s) and subsection(s)] from which you are seeking variance relief (if requesting variance from Rule 401 or permit condition, see Attachment A). Briefly explain how you are or will be in violation of each rule or condition (see Attachment A, Item 9, Example #2).

Rule	Explanation
3004(a)(4); 3002(c)- PTO G70577 condition 12	Condition requires source testing every 60 months. Last source test was conducted on July 20 and 21 2020 so next source test is due on July 20, 2025.

10. Are the equipment or activities subject to this request currently under variance coverage? Yes ☐ No ☒

Case No.	Date of Action	Final Compliance Date	Explanation

11. Are any other equipment or activities at this location currently (or within the last six months) under variance coverage? Yes ☐ No ☒

Case No.	Date of Action	Final Compliance Date	Explanation

12. Were you issued any Notice(s) of Violation or Notice(s) to Comply concerning this equipment or activity within the past year? Yes ☐ No ☒

If yes, you must attach a copy of each notice.

13. Have you received any complaints from the public regarding the operation of the subject equipment or activity within the last six months? Yes ☐ No ☒

If yes, you should be prepared to present details at the hearing.

14. Explain why it is beyond your reasonable control to comply with the rule(s) and/or permit condition(s). Provide specific event(s) and date(s) of occurrence(s), if applicable.

VRU is reaching end-of-life and had several breakdowns within the past few years which have all been reported to SCAQMD as required. A permit application was submitted to SCAQMD during June of 2024 to construct and install a replacement unit.

There were five breakdowns in 2024 with the following durations in minutes: 6, 31, 36, 58, and 67. All mandatory notifications and reports were submitted as required.

Facility is still waiting for an ATC from SCAQMD. It is anticipated that permit will be received, and unit will be installed by mid-November 2025. It would be burdensome to conduct a source test for the existing unit prior to July 31, 2025, and then perform another source testing for the new unit within three months after installation.

A cost estimate to complete source testing by our typical contractor of the existing unit is approximately \$47,000. This can be a financial burden on our facility.

It should also be recognized that the replacement unit equipped with BACT-compliant components to have either a net-zero or decrease in emissions will be approximately \$4 million dollars.

15. When and how did you first become aware that you would not be in compliance with the rule(s) and/or permit condition(s)? Provide specific event(s) and date(s) of occurrence(s).

The unit is currently in compliance. Based on discussions with SCAQMD held throughout April and May 2025 it has been determined that ATC will not be received prior to end of July 2025 and thus a variance will be required.

The Van Nuys facility stays in compliance with all other requirements with the exceptions associated with an aging VRS.

16. List date(s) and action(s) you have taken since that time to achieve compliance. That the Petition Form HB-V, and any related instructions, include requirement that the Petitioner include a timeline in suitable, chronological format to address the events, dates, and actions called for by Questions 15 and 16, including the dates of communication with the South Coast AQMD to notify them of the occurrence(s) giving rise to the requested variance.

Unit is currently in compliance with permit requirement for source testing. Variance is being requested in anticipation that ATC will not be received prior to July 31, 2025.

17. What would be the harm to your business during **and/or after** the period of the variance if the variance were not granted?

Economic losses: \$\_47,000\_\_ See attached source testing estimates \_\_Alliance Source Testing Cost Estimate dated May 30, 2025 is attached. Number of employees laid off (if any): \_\_\_\_ Not Applicable \_\_\_\_

Provide detailed information regarding economic losses, if any, (anticipated business closure, breach of contracts, hardship on customers, layoffs, and/or similar impacts).



The VRU is required to control emissions from the loading and storage of the gasoline and transmix fuels. Without the variance the facility would need to source test the unit twice, obtain a VRU with a various locations permit, or shutdown operations.

The source testing for the VRU is \$46,600, thus it would be close to \$100,000 to perform the source testing twice. In 2023, the facility paid almost \$112,000 to rent a permitted portable VRU for a five-day period. This cost estimate is also enclosed.

18. Can you curtail or terminate operations in lieu of, or in addition to, obtaining a variance? Please explain.

No, the facility cannot curtail or terminate the operation of the VRU for any period. The VRU is required to control emissions from the loading and storage of the gasoline and transmix fuels throughout the day. This facility operates year-round (i.e., 365 days/year).

19. Estimate excess emissions, if any, on a daily basis, including, if applicable, excess opacity (the percentage of total opacity above 20% during the variance period). If the variance will result in no excess emissions, insert "N/A" here and skip to No. 20.

Pollutant	(A)	(B)	(C)*
	Total Estimated Excess Emissions (lbs/day)	Reduction Due to Mitigation (lbs/day)	Net Emissions After Mitigation (lbs/day)
VOC	0		

\* Column A minus Column B = Column C

Excess Opacity: \_\_\_\_\_ %

20. Show calculations used to estimate quantities in No. 19, or explain why there will be no excess emissions.

The operation of the VRU is controlled by the CMS. All loading operations are automatically ceased immediately including truck loading activities when the CMS identifies the VRU exhaust exceeds allowable concentrations. Excess emissions would only occur if there were a malfunction in the VRU or CMS. Even then, there are other mechanism to halt operation and limit the quantity of excess emissions.

A delay of the source testing by several months would not result in excess emissions unless there is a breakdown.

21. Explain how you plan to reduce (mitigate) excess emissions during the variance period to the maximum extent feasible, or why reductions are not feasible.

There will be no excess emissions because of delaying source test.

22. How do you plan to monitor or quantify emission levels from the equipment or activity(s) during the variance period, and to make such records available to the District? **Any proposed monitoring does not relieve RECLAIM facilities from applicable missing data requirements.**

The operations will continue to be monitored by the VRU and CMS and thus all emissions will still be calculated and monitored as required.

23. How do you intend to achieve compliance with the rule(s) and/or permit condition(s)? Include a detailed description of any equipment to be installed, modifications or process changes to be made, permit conditions to be amended, etc., dates by which the actions will be completed, and an estimate of total costs.

Permit application has been submitted for a new VRU unit. Once ATC is received and new unit is installed an initial source test will be conducted as required.

Regardless of the outcome of this variance, the facility will operate as normal and minimize breakdown by performing periodic maintenance of equipment.

24. State the date you are requesting the variance to begin: July 20, 2025; and the date by which you expect to achieve final compliance: December 20, 2025.

If the regular variance is to extend beyond one year, you **must** include a **Schedule of Increments of Progress**, specifying dates or time increments for steps needed to achieve compliance. See District Rule 102 for definition of Increments of Progress (see Attachment A, Item 24, Example #3).

List Increments of Progress here: Not applicable since the variance duration will be less than one year.



25. List the names of any District personnel with whom facility representatives have had contact concerning this variance petition or any related Notice of Violation or Notice to Comply.


Arren Villena Ext. 2683  
Ext.

If the petition was completed by someone other than the petitioner, please provide their name and title below.

Name	Company	Title
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The undersigned, under penalty of perjury, states that the above petition, including attachments and the items therein set forth, is true and correct.

Executed on June 04, 2025, at Van Nuys, California

Signature  Print Name Tam Bui

Title: Southern California Operations Manager

26. **SMALL BUSINESS and TABLE III SCHEDULE A FEES:** To be eligible for reduced fees for small businesses, individuals, or entities meeting small business gross receipts criterion [see District Rule 303(h)], you must complete the following:

***Declaration Re Reduced Fee Eligibility***

1. The petitioner is
  - a) an individual, or
  - b) an officer, partner or owner of the petitioner herein, or a duly authorized agent of the petitioner authorized to make the representations set forth herein.

***If you selected 1a, above, skip item 2.***

2. The petitioner is
  - a) a business that meets the following definition of Small Business as set forth in District Rule 102:  
SMALL BUSINESS means a business which is independently owned and operated and meets the following criteria, or if affiliated with another concern, the combined activities of both concerns shall meet these criteria:
    - (a) the number of employees is 10 or less; **AND**
    - (b) the total gross annual receipts are \$500,000 or less or
    - (iii) the facility is a not-for-profit training center.

**-OR-**

- b) an entity with total gross annual receipts of \$500,000 or less.
3. Therefore, I believe the petitioner qualifies for reduced fees for purpose of filing fees and excess emission fee calculations, in accordance with Rule 303(h)

I declare under penalty of perjury that the foregoing is true and correct.

Executed on \_\_\_\_\_, at \_\_\_\_\_, California

Signature \_\_\_\_\_ Print Name \_\_\_\_\_

Title \_\_\_\_\_

[YOU MAY ATTACH ADDITIONAL PAGES IF NECESSARY]



South Coast Air Quality Management District  
21865 Copley Drive, Diamond Bar, CA 91765-4178

Section D Page: 2  
Facility ID: 2526  
Revision #: 8  
Date: December 7, 2022

**FACILITY PERMIT TO OPERATE  
CHEVRON USA INC**

**PERMITTED EQUIPMENT LIST**

The following is a list of all Permits to Operate at this facility:

Application Number	Permit to Operate Number	Equipment Description	Page Number
389345	G20725	Ethanol Storage Tank W/Int Float Roof	4
389348	G20726	Ethanol Tank Truck Unloading	6
535558	G21253	Facility Liquid Recovery Lift Station System	8
634927	G70538	Loading Island No. 1	10
634928	G70539	Loading Island No. 2	12
634929	G70575	Loading Island No. 3	14
634930	G70576	Loading Island No. 4	16
634931	G70577	Vapor Recovery System	18
634932	G70578	Storage Tank No. 2	21
634933	G70579	Storage Tank No. 3	23
634934	G70580	Storage Tank No. 4	25
634935	G70581	Storage Tank No. 5	27

**Note:** Any applications that are still being processed and have not been issued Permits to Construct or Permits to Operate will not be found in this Title V permit.



**FACILITY PERMIT TO OPERATE  
CHEVRON USA INC**

**Permit to Operate**

**Permit No. G70577  
A/N 634931**

**Equipment Description:**

Vapor Recovery System, John Zink, Model AA1218-8-12, Capacity 300 CFM, Serving Bulk Loading Terminal Nos. 1, 2, 3 and 4 and Storage Tank Numbers 2, 3, 4 and 5 Consisting of:

1. Two carbon adsorbers, each 8'-0" dia. x 13'-0" h.
2. Absorber, packed tower, 3'-0" dia. x 12'-0" h.
3. Separator, 5'-0" dia. x 10'-0" l.
4. Two vacuum pumps, each 60-h.p.
5. Gasoline supply pump, centrifugal, 15-h.p.
6. Gasoline return pump, centrifugal, 10-h.p.
7. Seal fluid circulation pump, centrifugal, 5-h.p.
8. Seal fluid exchanger.
9. Vapor holding tank, 10'-0" dia. x 24'-0" h., 30,000 cubic feet capacity, with an internal flexible diaphragm.
10. Blower, centrifugal, 5-h.p.

**Conditions:**

1. Operation of this equipment shall be conducted in accordance with all data and specifications submitted with the application under which this permit is issued unless otherwise noted below.  
[Rule 204]
2. This equipment shall be properly maintained and kept in good operating condition at all times.  
[Rule 204]
3. The displaced vapors from tank truck loading and fixed roof storage tank breathing and filling operations shall be vented to the vapor recovery system.  
[Rule 462, Rule 463, Rule 1303(a)(1) – BACT, 40 CFR 60 Subpart XX]
4. The vapor recovery system shall be in service whenever the equipment it serves is in operation or is being evacuated for a change in service or cleanout, to comply with Rule 1149 requirements (for R-1149 Chevron may contract a South Coast AQMD permitted degassing operator.)  
[Rule 1149]
5. The total gas flow rate to the vapor recovery system shall not exceed 300 scfm. A flow indicator shall be used to verify compliance with this condition.  
[Rule 1303(b)(2) - Offset]





**FACILITY PERMIT TO OPERATE  
CHEVRON USA INC**

6. The volatile organic compound (VOC) concentration at the exhaust of the air pollution control system shall not exceed 1.9%, measured as propane on an instantaneous basis or 0.21%, measured as propane based on a rolling 15 minute average (equivalent to an emission rate of 0.02 pounds per 1000 gallons of petroleum product (including ethanol) loaded. Upon measurement of the VOC concentration exceeding any one of these limits, the system shall automatically:
- A. Alert the operator both audibly and visually.
  - B. Cease the venting of loading rack and/or tank vapors to the carbon (as quickly as it is practical and safe to do so) for a period equal to one complete cleaning cycle of both carbon adsorbers (30 minutes on a 15 minute cycle time).
- [Rule 462, Rule 1303(b)(1)-BACT, Rule 1303(b)(2)-Offset, Rule 1313(g)-Emission Limitation]
7. During regular operations the vapor recovery system shall be operated in normal mode. Normal mode shall constitute that the vapors generated from the loading racks and storage tanks shall be vented to the vapor holding tank prior to being vented to the carbon adsorbers. The vapor holding tank may be bypassed (direct mode) during periods of maintenance, repair, breakdowns, and testing, or other times as approved in writing by the South Coast AQMD. The operator shall continue to comply with the requirements of Rule 462 and shall keep records of the dates and durations when the system is in direct mode.  
[Rule 462, Rule 463]
8. The operator shall maintain a continuous monitoring system (CMS) to accurately measure and record volatile organic compound (VOC) concentration at the outlet of the vapor recovery system. The emissions monitoring device shall be operated and maintained in accordance with a South Coast AQMD approved Rule 462 CMS plan.  
[Rule 462, Rule 1303(a)(1) - BACT]
9. The operator shall submit an application to modify the Rule 462 Continuous Monitoring System (CMS) Compliance Plan to reflect Condition 6 within 180 days of the issuance date of this permit.  
[Rule 462]
10. Records required to demonstrate compliance with the conditions of this permit shall be maintained for a five year period and made available to the South Coast AQMD upon request.  
[Rule 204, Rule 3004(a)(4)]

**Periodic Monitoring:**

11. The operator shall monitor the leaks of the vapor recovery system according to Rule 1173.  
[Rule 463, Rule 3004(a)(4) - Periodic Monitoring]
12. The operator shall conduct source test(s) for VOC emissions. The test(s) shall be conducted simultaneously at the inlet and outlet of the air pollution control equipment and shall demonstrate an efficiency of at least 95 percent. The tests shall be conducted at least once every 60 calendar months.  
[Rule 463, Rule 3004(a)(4) - Periodic Monitoring]



South Coast Air Quality Management District  
21865 Copley Drive, Diamond Bar, CA 91765-4178

Section D Page: 20  
Facility ID: 2326  
Revision #: 8  
Date: December 7, 2022

**FACILITY PERMIT TO OPERATE  
CHEVRON USA INC**

**Emissions and Requirements:**

13. This equipment is subject to the applicable requirements of the following rules and regulations:

VOC: 0.08 lbs/1000 gals organic liquid loaded, Rule 462  
VOC: 0.02 lbs/1000 gal organic liquid loaded, Rule 1303(b)(1) - BACT, Rule 1313(g) -  
Emission Limitation  
TOC/VOC: 35 mg/L gasoline loaded, 40 CFR 60 Subpart XX  
VOC: 95% Efficiency, Rule 1303(a)(1)-BACT, Rule 463

May 30, 2025



Terrence Leonard  
Chevron Products Company  
15359 Qxnard St.  
Van Nuys, CA 91411  
terrence.leonard@chevron.com  
310-615-5110

**RE: Compliance and Performance Specification Testing  
Alliance Proposal No. 2025-2027-S**

Dear Mr. Leonard,

Alliance Technical Group, LLC (Alliance) appreciates the opportunity to provide Chevron Products Company (Chevron) with this proposal. The attached project summary outlines our understanding of your requirements, describes our approach to meet your needs and presents assumptions we made to develop a **lump sum cost** estimate of **\$46,600** to conduct this testing. Pricing is valid for ninety (90) days after proposal issuance date.

The lump sum cost estimate does not account for contingency costs associated with site-specific health and safety policies, including but not limited to quarantines prior to site entry, that were undisclosed by Chevron and not expressly listed in the proposal. If Chevron's policies result in additional time or expenses prior to or during the scheduled testing and are not specifically identified in the Proposed Project Schedule provided in the Project Summary, additional charges will apply.

The lump sum cost estimate is predicated on Net 30-day payment terms (as outlined in more detail in the enclosed Terms & Conditions) and standard project scheduling ( $\geq 30$  calendar days). If rush scheduling ( $< 30$  calendar days) becomes necessary after project authorization (personnel/equipment availability dependent), an additional 15% rush charge may be added to the final invoice amount. If the mobilization of a test team from an external ATG office is required to meet the rush scheduling needs, the additional labor and expenses (cost +15%) associated with test team travel will also be invoiced. Alliance invoices upon completion of field work and offers a 1% discount if payment is received upon receipt of the Draft Report.

We look forward to working with you on this project. Please do not hesitate to contact us at 714-421-9068 to discuss this proposal.

Sincerely,  
**Alliance Technical Group, LLC**

A handwritten signature in dark ink, appearing to read "Greg Rubin", is written over a horizontal line.

Greg Rubin  
Manager, Operations

Enclosure



# PROJECT SUMMARY

## PROJECT SCOPE OF WORK

The following table details Alliance's understanding of the testing location(s), parameters, applicable test methods and required test runs.

Source	Test Location	Parameter	U.S. EPA Reference Test Method	No. of Test Runs / Test Run Duration	Regulatory Applicability
A/N 634931 / Gasoline Bulk Loading Terminal Vapor Recovery System (VRS)	VRS Outlet	Volatile Organic Compounds	25B	10-12 / 30 minutes	RATA-P60 (PS8), District Permit
	VRS Inlet	Non-Methane Volatile Organic Compounds	SCAQMD 501.1 (25.1)	1 / 360 minutes (per condition)	60XX, 63BBBBBB, SCAQMD Rules 462 & 463, District Permit
	VRS Outlet	Volumetric Flow Rate	2A		
		Volatile Organic Compounds	25B		
		Non-Methane Volatile Organic Compounds	SCAQMD 501.1 (25.1)		
	Positive Pressure Sources	Volatile Organic Compound Leaks	21	Prior to testing	
	Loading Rack	Backpressure Test	Magnahelic		

Method / Laboratory Selections:

Laboratory	Method
Atmospheric Analysis & Consulting, Inc. (Ventura, CA)	SCAQMD 25.1

Footnotes:

- Compliance testing will be conducted at two (2) operating conditions: Pressure Demand (Direct) Mode and Bladder Tank Mode. The RATA will be conducted during only one of the two conditions.
- Simultaneous testing will be performed at the VRS inlet and outlet to determine VOC removal efficiency (RE).
- During the compliance test, volumetric flow rate and VOC data will be measured continuously and recorded in 5-minute intervals per rule guidance.
- Per Subpart XX for a continuous process, the performance test shall be 6 hours long during which at least 300,000 liters of gasoline is loaded. If this is not possible, the test may continue the same day until 300,000 liters of gasoline is loaded or the test may be resumed the next day with another complete 6-hour period. In the latter case, the 300,000-liter criterion need not be met. However, as much as possible, testing should be conducted during the 6-hour period in which the highest throughput normally occurs.

## PROPOSED PROJECT SCHEDULE

The project schedule will be finalized upon receiving written documentation to proceed from Chevron. The following table lists Alliance's proposed schedule that was used to develop the cost estimate. A revised cost estimate may be needed if the proposed schedule is modified.

Day	Scheduled Activity	Estimated Onsite Hours
Day 1	Travel, Equipment Setup, Pre-Test QA/QC	8
Day 2	Test Condition 1	8
Day 3	Test Condition 2	8

# PROJECT SUMMARY

## PROJECT RESPONSIBILITIES

Chevron's responsibilities shall include the following:

- Provide an adequate source of electricity (three (3) independent 120-volt, 20-amp circuits within 100-feet of each mobile laboratory setup location).
- Providing space suitable to park a mobile laboratory within approximately 300-feet of the sample location.
- Provide adequate test ports and access to those ports (ladder, scaffolding or man-lift) and materials for sufficient temporary protection of test personnel and equipment from hazardous and environmental conditions.
- Provide process operating, control system and/or CEMS data in sufficient detail to perform necessary test calculations and as required by the facility permit or federal regulatory standard.



# PROJECT SUMMARY

Alliance's responsibilities shall include the following:

- **Sample Shipments and Disposal.** Alliance may ship test samples by freight or common carrier, and in such event responsibility for the samples shall be as set out in the contract for shipment between Alliance and such freight or common carrier (and Alliance shall not be responsible for such test samples while in transit or under the control of such freight or common carrier). Samples generally are consumed or substantially altered during analysis and are disposed of in accordance with each laboratory's standard operating procedures. Samples received and analyzed by Alliance are held in archive for three (3) months after analysis and are then disposed of by Alliance without further or additional notice to Chevron. Chevron must make other written arrangements with Alliance if a longer hold time is required.
- **Equipment Contamination.** Alliance will endeavor to clean the Alliance laboratory and field equipment which may become contaminated in the conduct of the Alliance services. Occasionally, such equipment cannot be completely decontaminated because of the type of hazardous materials encountered. If this occurs, it will be necessary to dispose of the equipment in a manner similar to that indicated for hazardous samples, in which case Chevron agrees to pay to Alliance the fair market value of any such equipment (in addition to costs for consulting services performed).

## TEST PLAN/REPORT SUBMITTAL

An electronic draft test plan will be submitted to Chevron for review within two (2) business days following the receipt of a purchase order or other acknowledgement to proceed. An electronic copy of the final test plan will be provided to Chevron for submittal to the regulatory agency.

An electronic draft report will be submitted within two (2) weeks following the completion of onsite testing, or if sample analyses are required, within two (2) business days following the receipt of laboratory results. The standard laboratory turn-around time is ten (10) business days from receipt of the samples. An electronic version of the final report will be submitted within two (2) business days following the receipt of draft report comments. If requested, up to two (2) hard copies of the final test report will be submitted. Additional hard copies can be provided at a rate of \$50 per copy. The final test report will include the following:

- *Introduction* – Brief discussion of project scope of work and activities.
- *Results and Discussion* – A summary of test results and process/control system operational data with comparison to regulatory requirements or vendor guarantees along with a description of process conditions and/or testing deviations that may have affected the testing results.
- *Methodology* – A description of the sampling and analytical methodologies.
- *Sample Calculations* – Example calculations for each target parameter.
- *Field Data* – Copies of actual handwritten or electronic field data sheets.
- *Laboratory Data* – Copy of laboratory report(s) and chain(s) of custody.
- *Quality Control Data* – Copies of all instrument calibration data and/or calibration gas certificates.
- *Process Operating/Control System Data* – Process operating, control system and/or CEMS data (as provided by Chevron) to support the test results.



# ADDITIONAL CHARGES

## ADDITIONAL CHARGES / POSTPONEMENT SCHEDULE

Additional Charges		
Category	Cost	
Test Personnel Onsite Delay/Standby (including but not limited to inclement weather and process/control system malfunction), not the fault of Alliance personnel	\$200 / hour / person (Complete down day will be billed at a minimum of eight (8) hours)	
Onsite Test Equipment	\$2,500 / day	
Per Diem	\$95 / person	
Lodging	\$250 / day / person	
Unplanned Weekend / Holiday	\$750 / day / person	
Method 18 Bags (Methane/Ethane)	\$500 / initial bag \$250 / additional bag	
Blank Analysis	Cost + 15%	
ERT/CEDRI Reporting	\$500 / source	
Consulting Fee	\$250 / hour	
Mileage	\$1.50 / mile	
Credit Card Fee	3% of total project cost	
Rental Equipment Rates *	Per Day (2-Day Minimum)	Per Week
Man Lift (50' to 70')	\$1,500	\$6,000
Man Lift (71' to 100')	\$1,800	\$7,200
Man Lift (over 100')	\$3,300	\$12,000
Generator	\$690	\$2,760

\* Cost +25% option available, if requested.

Chevron may also be invoiced a lump sum fee for postponing or canceling this project. Additional labor (such as mobilization, demobilization or project management time) and/or direct expenses may be invoiced in addition to these lump sum fees. The postponement/cancellation fee schedule is as follows:

Proposal Price	Postponement Charge			
	1 business day	2-5 business days	6-10 business days	11-20 business days
≤ \$49,999	50%	30%	15%	--
≥ \$50,000	50%	30%	15%	10%

Alliance personnel are required to abide by Department of Transportation (DOT) regulations. Alliance personnel are limited, by law, to a maximum of fourteen (14) hours per workday including travel time, and a maximum of seventy (70) hours in an eight (8) consecutive day period. Off duty time must include ten (10) consecutive hours each day. If Alliance personnel reach the allowable work and/or driving hour DOT limits due to causes beyond their control (including but not limited to inclement weather and process/control system malfunction) and an additional day of onsite or travel time is required, charges above the original lump sum cost estimate may be incurred. Alliance's standard employee standby and per diem rates will apply when billing the additional time.

# CUSTOMER PROPOSAL ACCEPTANCE

Alliance encourages customers to issue Purchase Orders for 15% more than the lump sum cost estimate to account for any potential Additional Charges (outlined in detail on the preceding pages).

**To move forward with this project and reserve your preferred date(s) for field work, please sign and return the Customer Proposal Acceptance below and issue a Purchase Order for the applicable amount to [PO@AllianceTG.com](mailto:PO@AllianceTG.com).**

## Customer Proposal Acceptance

I have reviewed and accept this Proposal and the Terms & Conditions included herein. By signing the below, I am awarding this business to Alliance Technical Group and am authorizing them to proceed with this project.

Alliance Proposal  
No. 2025-2027-S  
\_\_\_\_\_  
Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Purchase Order No. \_\_\_\_\_



**TERMS AND CONDITIONS OF SALE**  
**ALLIANCE TECHNICAL GROUP, LLC**  
(version 11.01.2024)

Alliance Technical Group, LLC ("ATG") hereby agrees to sell and furnish to Customer, and Customer agrees to purchase and acquire from ATG certain goods ("Goods") and/or services ("Services") as set forth in one or more ATG proposal(s), purchase agreement(s), purchase order(s) or similar instrument(s) by which ATG is providing Goods or Services ("Work") to Customer (herein collectively "Agreement(s)"). All Agreements are subject to the following terms and conditions (the "Terms"), and such Terms are accepted without modification by Customer in connection with any request by Customer for Work from ATG and are incorporated into all documents pertaining to Work performed by ATG as if fully set forth therein. ATG or Customer may be referred to herein as a "Party" or collectively as "Parties."

1. **PAYMENT TERMS:** ATG shall invoice periodically for work done or to be done, as appropriate. Customer agrees to pay the ATG invoice in full within 30 days from the date of ATG's invoice. If the Work includes delivery of a draft report, ATG will grant Customer a 1% discount on the total invoice amount if payment is received on or before the draft report delivery dates set for in the Agreement. Customer shall inform ATG of any disputed charges within five (5) business days of receiving the invoice. Should an invoice need to be amended, the original invoice transmittal date shall still apply for purposes of determining the payment due date. If payment is not received by ATG from Customer by the due date, Customer agrees to pay interest on the past due amount at a rate of one percent (1%) per month until paid (but not more than the maximum rate of interest allowed by applicable law), and further agrees to pay reasonable costs of collection incurred by ATG, including without limitation, court costs and attorneys' fees. No deduction shall be made from the ATG invoice on account of liquidated damages or other sums withheld from payments to contractors or others.
2. **TERMINATION:** Either Party may terminate the Agreement with or without cause upon 30 days' written notice to the other Party. In the event Customer requests termination prior to completion of the project, Customer agrees to pay ATG for all costs incurred through the date of notice of termination, plus reasonable charges associated with termination of the work. Orders for Goods may be cancelled at no cost prior to ATG's issuance of a purchase order for such Goods. Cancellations thereafter shall be subject to cancellation and restocking fees.
3. **TAXES:** Customer shall be responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by Customer hereunder.
4. **CHANGE ORDERS:** If either Party wishes to change the scope or performance of the Work, it shall submit details of the requested change to the other Party in writing. ATG shall, within a reasonable time after such request, provide a written estimate to Customer of (i) the likely time required to implement the change; (ii) any necessary variations to the fees and other charges for the Work arising from the change; (iii) the likely effect of the change on the Work; and (iv) any other impact the change might have on the performance of this Agreement. Promptly after receipt of the written estimate, the Parties shall negotiate and agree in writing on the terms of such change (a "Change Order"). Neither Party shall be bound by any Change Order unless mutually agreed upon in writing. Notwithstanding the foregoing, ATG may, from time to time change the Services without the consent of Customer provided that such changes do not materially affect the nature or scope of the Services, or the fees or any performance dates set forth in the Agreement. ATG may charge for the time it spends assessing and documenting a change request from Customer on a time and materials basis.
5. **PERFORMANCE, WARRANTIES:**
  - a) Services. ATG will perform the Services using that degree of care and skill ordinarily exercised under similar conditions by reputable members of the profession practicing in the same or similar locality. ATG shall use reasonable efforts to meet any performance dates specified in the Agreement, and any such dates shall be estimates only. ATG shall not be liable for a breach of the warranty set forth herein unless Customer gives written notice of the defective Services, reasonably described, to ATG within 30 days of the time when Customer discovers or should have discovered that the Services were defective. Subject to the foregoing and for a period of 12 months after performance of the Services, ATG will, in its sole discretion, either repair or reperform such Services, or credit or refund the price of such Services at the pro rata rate. Customer agrees and acknowledges that failure to provide required Customer data may impede delivery of the Services and, therefore, agrees that in such cases where required Customer data is not provided to ATG as required by ATG, Customer releases ATG from any and all claims, including claims for reperformance, credit or refund.
  - b) Goods. The Goods sold by ATG are provided or manufactured by other parties and are warranted by those other parties against defects in materials and workmanship for a period of time depending on the Goods (each, an "OEM Warranty"). All improper use, operation or maintenance of these Goods is excluded from warranty. To the extent allowed by contract, law or otherwise, ATG will pass through to Customer any and all OEM Warranties that are in effect for Goods purchased. All warranty claims for defects in material and/or workmanship on the Goods shall be directed to the manufacturer of such Goods at Customer's sole cost and expense. ATG may reperform the Services to correct defective Goods, at Customer's sole cost and expense, including, but not limited to, shipping, travel time, and travel expenses associated with the repair, at ATG's current rates. ATG shall not be responsible for damage to goods or delays arising from shipment of Goods.
  - c) THE REMEDIES SET FORTH IN THIS SECTION SHALL BE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND ATG'S ENTIRE LIABILITY FOR ANY BREACH OF THIS LIMITED WARRANTY. NO OTHER WARRANTY, EXPRESS OR IMPLIED, IS MADE OR INTENDED RELATED TO ATG'S PROFESSIONAL CERTIFICATION OR BY ATG'S ORAL OR WRITTEN REPORTS, INCLUDING BUT NOT LIMITED TO WARRANTIES OF TITLE, MERCHANTABILITY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH WARRANTIES ARE EXPRESSLY DISCLAIMED. THIS WARRANTY IS EXCLUSIVE, AND IS IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL OR IMPLIED.
6. **INSURANCE:** ATG maintains insurance coverage as follows:
  - a) Worker's Compensation insurance – applicable statutory amounts



- b) Commercial General Liability Insurance - \$1,000,000 per occurrence / \$10,000,000 excess
  - c) Professional Errors & Omissions - \$1,000,000 per claim / \$10,000,000 excess
  - d) Pollution Liability Insurance - \$1,000,000 per claim / \$10,000,000 excess
  - e) Automobile Liability Insurance - \$1,000,000 combined single limit
7. **SITE OPERATIONS:** Customer will arrange for right-of-entry to the property for the purpose of ATG performing the Work. Customer represents that it possesses necessary permits and licenses required for its activities at the site. Customer shall advise ATG in writing of any underground or over-ground obstructions at the site, including utilities. ATG will give special instructions to the ATG field personnel. ATG is not responsible for any damage or losses due to undisclosed or unknown surface or subsurface conditions on Customer premises. Except for ATG's gross negligence or willful misconduct, and to the maximum permitted by law, Customer shall indemnify and hold harmless ATG, and its directors, officers, employees, and agents (collectively "ATG Indemnitees") from and against any and all claims, losses, damages, suits, fees, judgments, costs, and expenses (collectively "Claims") including attorneys' fees incurred in response to such Claims, that the ATG Indemnitees may suffer or incur arising out of or connected with performance of ATG's duties at the Customer site. ATG will take reasonable precautions to minimize damage to the property caused by the ATG operations. Sample locations described in the ATG report or shown on sketches are based on specific information furnished by others or estimates made in the field by the ATG personnel. Such dimensions, depths or elevations should be considered as approximations unless otherwise stated in the ATG proposal or report.
  8. **FIELD REPRESENTATIVE:** The presence of the ATG field personnel, either full-time or part-time, will be for the purpose of providing observation and field testing of specific aspects of the project as authorized by Customer. Should a contractor not retained by ATG be involved in the project, Customer will advise contractor that the ATG Work does not include supervision or direction of the work of the contractor, its employees or agents, unless previously agreed upon in writing. Customer will also inform contractor that the presence of the ATG field representative or observation or testing by ATG will not relieve the contractor of its responsibilities for performing the work in accordance with the plans and specifications. If a contractor (other than a subcontractor to ATG) is involved in the project, Customer agrees that, in accordance with generally accepted construction practices, the contractor will be solely and completely responsible for working conditions on the jobsite, including safety of all persons and property during performance of the work, and compliance with OSHA regulations, and that these requirements will apply continuously and not be limited to normal working hours. It is agreed that ATG will not be responsible for job or site safety on the project and that ATG does not have the duty or right to stop the work of the contractor.
  9. **UNFORESEEN CONDITIONS OR OCCURRENCES:** It is possible that unforeseen conditions or occurrences may be encountered which could substantially alter the Work or the risks involved in completing the Work. If this occurs, ATG will promptly notify and consult with Customer, but will act based on ATG's sole judgment where risk to the ATG personnel is involved. Possible actions could include (i) Complete the original Work in accordance with the procedures originally set out in the ATG proposal, if practicable in ATG's sole judgment; (ii) mutually agree with Customer to modify the Work and the estimate of charges to include study of the unforeseen conditions or occurrences, with such revision to be agreed to in writing prior to ATG continuing the Work; or (iii) terminate the Work effective on the date specified by ATG in writing (in which case Customer agrees to pay ATG for all costs incurred through the date of notice of termination, plus reasonable charges associated with termination of the Work).
  10. **FORCE MAJEURE:** Excepting payment for amounts due and payable, if performance of these Terms, the Work, or the Agreement by either Party is prevented by reason of any event or act which is beyond the reasonable control of the Party affected (including, but not limited to, Acts of God, fire, flood, explosion, war, strike, embargo, epidemic, pandemic, government requirement or natural disaster), such Party shall, upon giving prior written notice to the other Party, be excused from such performance to the extent of such prevention, provided that the Party so affected shall use its best efforts to avoid or remove such causes of nonperformance, and shall continue to perform under this Agreement with the utmost dispatch whenever such causes are removed.
  11. **LIMITATION OF LIABILITY.** IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR LOSS OF DATA OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT SHALL ATG'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THE AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE AGGREGATE AMOUNTS PAID OR PAYABLE TO ATG PURSUANT TO THE AGREEMENT GOVERNING THE WORK.
  12. **CUSTOMER DISCLOSURE:** Upon execution of the Agreement, Customer shall notify ATG in writing of any hazardous substances or any condition, known or that should be known by Customer, existing in, on, or near the site that might present a potential danger to human health, the environment, or equipment. Customer agrees to provide continuing information as it becomes available to the Customer in the future during the course of performance of Work by ATG. By virtue of entering into an Agreement or of providing services to Customer, ATG does not assume control of or responsibility for the site or the person in charge of the site, or undertake responsibility for reporting to any federal, state or local public agencies any conditions at the site that may present a potential danger to public health, safety or the environment. Customer agrees to notify the appropriate federal, state, or local public agencies as required by law, or otherwise to disclose, in a timely manner, any information that may be necessary to prevent any danger to health, safety, or the environment.
  13. **ENVIRONMENTAL INDEMNITY:** In connection with toxic or hazardous substances or constituents, Customer agrees to the maximum extent permitted by law to defend, hold harmless and indemnify the ATG Indemnitees from and against any and all Claims, unless caused by ATG's

gross negligence or intentional misconduct, resulting from (i) Customer's violation of any federal, state or local statute, regulation or ordinance relating to the disposal of toxic or hazardous substances or constituents; (ii) Customer's undertaking of or arrangement for the handling, removal, treatment, storage, transportation or disposal of toxic or hazardous substance or constituents found or identified at the site; (iii) toxic or hazardous substance or constituents introduced at the site by Customer or third persons before or after the completion of services herein; (iv) allegations that ATG is a handler, generator, operator, treater or store, transporter, or disposer under the Resource Conservation and Recovery Act of 1976 as amended or any other similar federal, state or local regulation or law; and (v) Claims related to personal injury or property damage from exposure to or release of toxic or hazardous substances or constituents at or from the site before, during or after the performance of Work.

- 14. DOCUMENTS:** ATG will furnish to Customer the agreed upon number of reports and supporting documents. ATG reserves the right to withhold the delivery of reports and supporting documents until payment has been received on outstanding invoices. These instruments of service are furnished exclusively for Customer's use in connection with the project or Work performed for Customer pursuant to the Agreement and ATG will not share with any third parties without the prior written consent of Customer. All documents generated by ATG pursuant to any Agreement or otherwise, including without limitation all intellectual property rights associated with such documents, shall remain the sole property of Customer. If Customer desires to provide any ATG report to a third party that is not used for regulatory approvals and ATG agrees in writing to provision of the ATG report to such third party, Customer shall obtain written acceptance from the third party to be bound by these terms and conditions prior to making the ATG report available to such third party. Customer agrees that all documents furnished to Customer or Customer's agents or designers, if not paid for, will be returned upon demand and will not be used by Customer for any purpose whatsoever. Customer further agrees that documents produced by ATG pursuant to any Agreement or otherwise will not be used at any location or for any project not expressly provided for in the related Agreement without ATG's prior written approval. Customer shall furnish documents or information reasonably within Customer's control and deemed necessary by ATG for proper performance of the ATG Work. ATG may rely upon Customer-provided documents in performing the Work required under any Agreement, however, ATG assumes no responsibility or liability for the accuracy of Customer-provided documents. Customer-provided documents will remain the property of the Customer. Any unauthorized use or distribution of ATG reports shall be at Customer's sole risk and without liability to ATG, and Customer shall indemnify and hold ATG Indemnitees harmless from any Claims related to or resulting from such use or distribution.
- 15. GOVERNING LAW; DISPUTE RESOLUTION:** All questions concerning the validity, interpretation and performance of these Terms or the Agreement will be governed by and decided in accordance with the laws of the State of Alabama, without regard to its conflict of law principles. The Parties agree to attempt to resolve any dispute without resort to litigation. Such dispute shall first be submitted to nonbinding mediation to be conducted in Morgan County, Alabama unless the Parties mutually agree otherwise. In the event the Parties are unable to reach a settlement of any dispute arising out of the Work provided to Customer by ATG, then such disputes shall be settled by binding arbitration in Morgan County, Alabama by an arbitrator to be mutually agreed upon by the Parties and shall proceed in accordance with the rules of the Construction Industry Arbitration Rules of the American Arbitration Association then pertaining. If the Parties cannot agree on a single arbitrator, then the arbitrator(s) shall be selected in accordance with the above referenced rules. If the claimant fails to prevail, then the claimant shall pay all costs of the Party defending the claim, including reasonable attorneys' fees. Notwithstanding the foregoing, this paragraph shall not apply to any action instituted for the collection of any amount invoiced to Customer for products sold, services rendered or similar matters for the collection of money due by Customer to ATG.
- 16. INTELLECTUAL PROPERTY:** All intellectual property rights, including copyrights, patents, patent disclosures and inventions (whether patentable or not), trademarks, service marks, trade secrets, know-how and other confidential information, trade dress, trade names, logos, corporate names, and domain names, together with all of the goodwill associated therewith, derivative works and all other rights (collectively, "Intellectual Property Rights") in and to all documents, work product, and other materials that are delivered to Customer under this Agreement or prepared by or on behalf of ATG in the course of performing the Work, except for any Confidential Information of Customer or Customer materials, shall be owned by ATG. ATG hereby grants Customer a license to use all Intellectual Property Rights free of additional charge and on a non-exclusive, worldwide, non-transferable, non-sublicensable, fully paid-up, royalty-free, and perpetual basis to the extent necessary to enable Customer to make reasonable use of the Work.
- 17. CONFIDENTIALITY:** During performance of the Work (the "Authorized Purpose") one Party may acquire the other Party's Confidential Information. "Confidential Information" means the proprietary or confidential information of each Party, relating in any way to the business and affairs of each Party, or proprietary or confidential information of a third party to which a Party has access that one Party (the "Receiving Party") may acquire from the other Party (the "Disclosing Party") as a result of discussions of Work performed pursuant to any Agreement. Confidential Information includes any information marked as confidential, but also includes any information which the Parties in good faith and good conscience ought to treat as confidential. Each Party acknowledges that all Confidential Information is very valuable to each respective Party and shall maintain all Confidential Information in strict confidence. Each Party further agrees that such Confidential Information shall not be used or disclosed, except as follows: (i) each Party agrees to use Confidential Information only for the Authorized Purpose and agrees not to use any Confidential Information for the benefit of anyone other than the other Party to the Agreement; (ii) each Party agrees to limit access to Confidential Information to its officers, directors, employees and agents ("Personnel") who have a need to know the Confidential Information for the Authorized Purpose and shall instruct such Personnel to not disclose Confidential Information except as allowed under these Terms or the Agreement; and (iii) each Party agrees not to copy, reprint, duplicate or recreate the Confidential Information without the prior express written consent of the other Party. Unless otherwise required by contract or law, upon either termination of the applicable Agreement or of these Terms as set forth herein or upon written request by the Disclosing Party, the Receiving Party shall cease use and return or destroy all of the Disclosing Party's Confidential Information in the Receiving Party's possession or control.
- 18. SEVERABILITY:** If a court of competent jurisdiction declares any term, condition or provision of these Terms or the Agreement invalid or unenforceable, the remainder of the Terms and the Agreement shall not be affected and shall remain in full force and effect.

19. **SURVIVAL:** All obligations arising prior to the termination of this Agreement and all provisions of these Terms and the Agreement allocating responsibility or liability between Customer and ATG (or with respect to warranty or indemnification) shall survive the completion of the Work and the termination of these Terms and the Agreement.
20. **INTEGRATION:** These Terms and the Agreement, along with any attached documents and those incorporated herein constitute the entire Agreement between the Parties and cannot be changed except by a written instrument signed by both Parties. These Terms and the Agreement prevail over any of Customer's general terms and conditions regardless of whether or when Customer has submitted its purchase agreement(s), purchase order(s) or similar instrument(s). Performance of Work to Customer does not constitute acceptance of any of Customer's terms and conditions and does not serve to modify or amend these Terms or the Agreement.





**Q-22798**  
**Developed Especially for:**

Richard Pascual  
Chevron Products Co  
15359 Oxnard  
Van Nuys, CA 91401  
Phone: (818) 374-1386  
Email: [pasr@chevron.com](mailto:pasr@chevron.com)

**Prepared on December 12, 2023 by:**

Hugo Escalante  
Envent Corporation  
3220 E 29th Street  
Long Beach, CA 90806  
Phone: +1 5626310083  
Email: [hugo.escalante@envent.net](mailto:hugo.escalante@envent.net)  
[www.enventcorporation.com](http://www.enventcorporation.com)





Richard Pascual  
(818) 374-1386  
pasr@chevron.com

Chevron Products Co  
15359 Oxnard  
Van Nuys, CA 91401

### **Chevron Van Nuys Loading Rack Vapor Control - 2023**

Envent is pleased to provide this budgetary proposal for Chevron Van Nuys Terminal during maintenance being performed on the Plant VDU system.

System will be down for 5 days during maintenance.

#### **Scope -**

Envent to stage portable Thermal Oxidizer system and have it on hot standby during the maintenance of the VDU. Envent will start processing vapors once bladder tank level reaches a high level. Oxidizer will shut down and remain on hot standby once bladder is down to low level and restart as needed. If needed Oxidizer will run continuously during the day if needed.

Envent will provide two (2) technicians to perform this job.

Envent will mobilize the AGENCY permitted EMECS-42 System. System includes Thermal Oxidizer, Generator, Propane, Operator, Additional Degas Technician, AQMD PERMIT, and Meters.

#### **Tank 6 Bladder Tank**

- 10'0" diameter; 24'0" height
- 30,000 cubic feet capacity
- Inlet connection to Portable thermal oxidizer 6" 150 lbs. flange

This is a T&M proposal. Any time exceeding this invoice will be included on a change order. Envent will operate per Chevron personnel instructions.



## PROPOSAL

Date: December 12, 2023  
Proposal Number: Q-22798

Start Date 12/13/23

Duration - 5 Days 24 hr operation

Site Contact - Richard Pascual

PO# TBD



**PROPOSAL**

Date: December 12, 2023  
Proposal Number: Q-22798

**Services**

PRODUCT	COMMENTS	RATE	UNIT OF MEASURE	QTY PER UOM	TOTAL QTY	SUBTOTAL	TOTAL PRICE
EMECS 42 Mobilization		\$2,500.00	Each	1	1	\$2,500.00	\$2,500.00
EMECS 42 Demobilization		\$1,500.00	Each	1	1	\$1,500.00	\$1,500.00
Per Diem & Lodging	If needed.	\$210.00	Day - ST	5	4	\$1,050.00	\$4,200.00
						<b>Total Cost:</b>	<b>\$8,200.00</b>

**Equipment**

PRODUCT	COMMENTS	RATE	UNIT OF MEASURE	QTY PER UOM	TOTAL QTY	SUBTOTAL	TOTAL PRICE
EMECS 42 SERIES		\$55,410.03	Week	1	1	\$55,410.03	\$55,410.03
Generator - 150 kVA Diesel Powered Electric, WET		\$7,470.76	Week	1	1	\$7,470.76	\$7,470.76
Containment Berm - 8x10		\$120.18	Week	1	1	\$120.18	\$120.18
Monitoring Instrument - Gas Monitor: 4-Way/LEL (Lower Explosive Limit)		\$79.20	Day - ST	5	1	\$396.00	\$396.00
Monitoring Instrument - Photoionization Detector (PID)		\$126.50	Day - ST	5	1	\$632.50	\$632.50
Monitoring Instrument - Drager Pump		\$27.50	Day - ST	5	1	\$137.50	\$137.50
Utility Truck	15 % fuel surcharge will be added on final invocie	\$281.60	Day - ST	5	1	\$1,408.00	\$1,408.00
Hose - Vacuum/Suction/Discharge, 6" x 25'		\$22.00	Day - ST	5	8	\$110.00	\$880.00
						<b>Total Cost:</b>	<b>\$66,454.97</b>

Confidentiality Notice: This quotation and any associated document(s) are privileged and confidential, and are intended for the sole use of the addressee(s). They cannot be used, circulated, duplicated, quoted or otherwise referred to or disclosed to third parties for any reason without the written consent of an Officer of Envent Corporation. If you have received this information in error, please immediately contact us at hugo.escalante@envent.net. Thank you.

**PROPOSAL**

Date: December 12, 2023  
Proposal Number: Q-22798

**Supplies**

PRODUCT	COMMENTS	RATE	UNIT OF MEASURE	QTY PER UOM	TOTAL QTY	SUBTOTAL	TOTAL PRICE
Monitoring Supplies - Drager Colorimetric Gas Detector Tubes		\$10.25	Each	5	1	\$51.25	\$51.25
Propane Usage Estimate	Cost Plus Estimate	\$1,800.00	Shift - ST	10	1	\$18,000.00	\$18,000.00
						<b>Total Cost:</b>	<b>\$18,051.25</b>

**Labor**

PRODUCT	COMMENTS	RATE	UNIT OF MEASURE	QTY PER UOM	TOTAL QTY	SUBTOTAL	TOTAL PRICE
Senior Technician		\$72.06	Hour - ST	64	1	\$4,611.84	\$4,611.84
Senior Technician		\$89.76	Hour - OT	32	1	\$2,872.32	\$2,872.32
Senior Technician		\$110.12	Hour - PT	24	1	\$2,642.88	\$2,642.88
Technician 2		\$62.92	Hour - ST	64	1	\$4,026.88	\$4,026.88
Technician 2		\$78.37	Hour - OT	32	1	\$2,507.84	\$2,507.84
Technician 2		\$96.14	Hour - PT	24	1	\$2,307.36	\$2,307.36
						<b>Total Cost:</b>	<b>\$18,969.12</b>

<b>Total Recurring Cost Estimate:</b>	<b>\$107,624.09</b>
<b>Total Non-Recurring Cost Estimate:</b>	<b>\$4,051.25</b>
<b>Grand Total:</b>	<b>\$111,675.34</b>

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**Assumptions:**

- 
- Work performed Monday - Friday. Additional costs for weekends/holidays.
- Mechanical contractor to blind, remove manway adaptor and connect degas connector.
- This estimate is based on our best information and actual time may vary.
- System designed without job walk or site sampling, or liquid/vapor profiling. Changes to system to improve performance are billed to customer at T&M.
- Additional equipment, labor, and mobilization fees may be necessary to achieve desired results and will be billed at time and materials rates.
- Forklift to be provided by customer or at cost plus.
- Premium rates apply to work over 12 hours per day (California only).
- Customer responsible for temporary storage tank cleaning and handling.
- Budgetary estimate only.
- Training, Meetings and Engineering work beyond the Degas, Vapor or Liquid Scrubber Services will be provided on a Time & Materials basis.
- Payment terms are Net 30 from date on invoice.
- The tank must be isolated and blinded prior to tank degassing, by customer.
- Technician hourly rate quoted at straight time (ST) and includes vehicle and meters. Overtime rates apply where applicable.
- Propane billed at cost plus; above cost is only an estimate.
- Project durations are estimated based on client parameters and or best practices. Billing is based on actual time and material usage.
- Degas begins once tank is free of liquid.
- Four hour minimum applicable.
- The carbon, caustic or potassium permanganate usage rate will vary depending on the product type, system flowrate, and vapor concentration.
- Customer responsible for disposal of all waste and cleaning of system components.
- ST first 8 hours per day, OT 8-12 hours and Saturdays, DT over 12 hours and Sundays (California only).
- Customer to facilitate all job site access including but not limited to plates or other method for driving on sand, mud, or over tank berms.
- Mobilization includes delivery, staging, and interconnection of the treatment, filtration, scrubbing, or vapor control system equipment only.
- Pre-job meetings, on-site installation and startup & tear down is estimated and will be performed on a time and material basis.
- All pre-job engineering, permitting, Hazop meetings will be billed at engineering rate.
- Equipment rental starts when it arrives on job site stays on rent until returned.
- Envent degassing estimates are based on the tank being product free and or that water washing will occur to remove remaining product.
- Equipment to be returned free of debris and decontaminated prior to coming off rent.





## PROPOSAL

Date: December 12, 2023

Proposal Number: Q-22798

- All inlet ports will be blinded by customer prior to degas.
- Project delays or standby caused by others will be billed at contract rates or at time and material rates.
- Laboratory analytical to be performed by others, or by Envent at cost-plus.
- Technician available to monitor system at T&M at customer's request. System start-up and operator training are billed at Hourly T&M rates.
- All rental orders must be cancelled 48 hours prior to rental start date to avoid any rental and or mobilization charges.
- All service calls are at time and material rates.
- Envent standard rental agreement applies.
- Mobilization/Demobilization time includes equipment preparation and all travel time to and from the site.
- Laboratory analytical to be billed at time and material rates.
- Envent can provide spill protection berms, if necessary, at an additional charge.

*By signing and accepting below you are acknowledging that you have read and agree to the specific terms outlined in this document and wish to proceed with the implementation of the aforementioned products and services.*

Authorized Signature for Envent Corporation

Authorized Signature for Chevron Products Co

**Remittance Address:**

Envent Corporation  
1310 Underwood Rd.  
La Porte, TX 77571

\*PO Available:

PO Number:

PO Amount:

## Terms and Conditions

1. **Definitions.** "Agreement" means this Equipment Rental and Services Agreement between Customer and Envent Corporation, and includes the Cover Page, the Terms and Conditions and any Schedule or Exhibit attached to the Agreement. Execution of the Cover Page by Customer and Envent shall be deemed to be execution of the Agreement. "Cover Page" means the Cover Page to the Agreement between Customer and Envent and page one to this Agreement. "Customer" means the party identified on the Cover Page including any representative, agent, officer or employee of Customer. "Envent" or "Company" means Envent Corporation. "Envent Shop" means the Envent facility, identified on the Cover Page, from which the Equipment is being rented. "Equipment" means any one or more items of equipment listed on the Cover Page this Agreement being rented by Customer from Envent and includes accessories, attachments or other items. "Services" means the Services which Customer has requested Envent to provide as identified on the Cover Page.
2. **Prevailing Agreement.** If Customer has an active Master Service Agreement (MSA) with Envent Corporation (Envent) and there is a conflict between the terms and conditions of this Quote Agreement and the MSA, then the terms and conditions of the MSA will prevail.
3. **Timeliness.** Envent shall use reasonable efforts to adhere to the agreed-upon schedule to complete the Services. No warranties or representations are made as to the completion date of any Services undertaken; Customer will have no right to damages arising due to Envent's delay in the completion of the Services.
4. **Changes and Suspensions.** Regardless of the prices agreed upon to perform the Services as described in the proposal, Envent will be compensated in accordance with the Envent Fee schedule then in effect for any changes requested by Customer in the Services at any time. Customer further agrees to pay the entire amount due for the Services provided in accordance with this proposal, regardless of any determination by an insurance carrier of the value of the services provided. Conditions differing from information provided by Customer, those differing from what is revealed by a visual site inspection, changes in laws or required standards or directives of federal or state agencies, as well as other unknown or unanticipated conditions, shall be considered a change requested by Customer. Envent shall be entitled to compensation at the rates contained in the then-current Envent Fee schedule for personnel and equipment required to stand by during any period of suspension of Services due to reasons beyond the direct control of Envent, for demobilization and mobilization costs required to remove personnel and equipment to and from the site, and for other direct costs incurred as a result of such suspension.
5. **Availability.** All quotes are based on equipment, labor, and inventory available at the time/date the quote is generated. To ensure availability at the time the order is placed, please allow as much notice as possible prior to delivery. Availability subject to change without notice.
6. **Time for Payment.** Envent will be paid for Services in accordance with this Agreement, regardless of any other Customer Payment or Accounts Payable policy or procedure of Customer. The invoiced amounts must be paid within ten (10) days after the presentation of each invoice submitted by Envent. Interest may be charged on any overdue amounts at the lower of: (a) the highest permissible rate, or (b) 18% per annum, charged at 1.5% per month from the date on which such amount fell due until the date of payment, whether before or after judgment. Customer acknowledges that any delay in payment may result in termination or interruption of the provision of the Products and Services at our sole discretion. In addition to interest, Customer shall also be responsible for all costs incurred by Envent to collect overdue amounts, including collection fees, filing fees, court costs and attorney's fees. Customer must not, in any manner, make itself or its agents unavailable for receipt of invoices in an attempt to delay payment as required under this Section. Envent reserves all legal rights and recourses against the Customer and its property for failure of Customer to pay such invoices when due. Customer is prohibited from deducting retention from Envent invoices and charging for liquidated damages.
7. **Per Diem and Travel.** Per Diem will be charged per current GSA rates. High-cost areas defined as greater than GSA rates will be charged at cost plus ten percent (10%).
8. **Commodity Pricing (fuel, carbon, propane, etc.).** Due to volatility in commodity prices, the prices listed on the quote is subject to change. Inclusive rates, such as Mobilization and Demobilization, that include commodities are also subject to change.
9. **Customer's Sole Remedy.** Upon Envent's verification that Customer's Defect Notice is valid or accurate, AS CUSTOMER'S SOLE AND EXCLUSIVE REMEDY, within a commercially reasonable time, Envent will correct, complete, or repair the Services.
10. **Limitation of Warranties.** EXCEPT FOR THE LIMITED WARRANTY SPECIFIED HEREIN, THE SERVICES PROVIDED HEREIN ARE "AS-IS", WITHOUT ANY WARRANTY OF ANY KIND WHATSOEVER INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT. There is no warranty that the Equipment is suited for Customer's intended use or that it is free from defects. Except as specifically set forth in this Agreement, Envent disclaims all other warranties, either expressed or implied, made in connection with this Agreement, the Equipment and the Services and all remedies, rights, liabilities, warranties, expressed or implied, arising from law or otherwise, including but not limited to any claim of implied warranty of merchantability, any claim of implied warranty arising from course of performance, course of dealing or usage of trade and any claim of implied warranty of fitness are disclaimed by Envent and waived by Customer. These warranty provisions can only be amended or modified in a writing signed by Envent and cannot be amended or modified orally and they supersede any contrary representations or warranties, expressed or implied. In addition, Envent shall not be responsible for any damage or loss caused by the negligence of Envent's employees or agents occurring in connection with the Services performed pursuant to this Agreement.
11. **Certain Types of Damages Precluded.** IN NO EVENT SHALL EITHER PARTY BE RESPONSIBLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL OR PUNITIVE DAMAGES IN CONNECTION WITH THIS AGREEMENT, WHETHER BASED IN CONTRACT, TORT, STRICT LIABILITY, STATUTE OR OTHERWISE.
12. **Limitation on Amount of Damages.** In the event Customer's sole remedy set forth in Section 7, for any reason fails of its essential purpose, subject also to the limitation set forth in Section 8, Customer expressly agrees that its' right to recover damages from Envent is expressly limited to 150% of the amount of the cost of the Services set forth herein (150% Limitation). Customer agrees that this limitation was bargained for between the parties hereto, that the limitation is fair and reasonable under the circumstances, and that Customer shall not have the right to bring any legal action of any type against Envent, its officers, or employees seeking damages in excess of the 150% Limitation.
13. **Limitation on Time to Bring Action.** No action may be brought by Customer against Envent unless filed within one (1) year subsequent to the date the cause(s) of action actually accrued.
14. **Indemnification by Customer.** CUSTOMER SHALL INDEMNIFY, HOLD HARMLESS, AND DEFEND ENVENT FROM AND AGAINST ANY AND ALL LIABILITIES, CLAIMS, PENALTIES, FORFEITURES, SUITS, AND THE COSTS AND EXPENSES INCURRED THEREON (INCLUDING COSTS OF DEFENSE, SETTLEMENT, AND REASONABLE ATTORNEY'S FEES), WHICH IT MAY HEREAFTER INCUR, BECOME RESPONSIBLE FOR, OR PAY OUT AS A RESULT OF DEATH OR BODILY INJURY TO ANY PERSON, DESTRUCTION, OR DAMAGE TO ANY PROPERTY, ENVIRONMENTAL RELEASE OR CONTAMINATION OF OR ADVERSE EFFECTS ON THE ENVIRONMENT, POLLUTION, OR ANY VIOLATION OF GOVERNMENTAL LAWS, REGULATIONS, OR ORDERS TO THE EXTENT THAT SUCH DAMAGE WAS CAUSED BY: (I) CUSTOMER'S BREACH OF ANY TERMS OR PROVISION OF THIS AGREEMENT; (II) THE FAILURE OF ANY WARRANTY MADE BY CUSTOMER TO BE TRUE, ACCURATE, AND COMPLETE; (III) ANY LEGALLY NEGLIGENT OR WILLFUL ACT OF OMISSION OF THE CUSTOMER OR ITS EMPLOYEES OR AGENTS; (IV) THE FACT THAT THE WASTE HAS TRAVELED ONTO THE PROPERTY OF THIRD PARTIES AND/OR HAS CAUSED DAMAGE OR PERSONAL INJURY TO PROPERTY AND/OR PERSONS, RESPECTIVELY; AND ANY PRE-EXISTING CONDITIONS ON THE PROPERTY WHERE THE SERVICES ARE RENDERED WHICH WERE NOT DISCLOSED BY CUSTOMER TO ENVENT PRIOR TO ENVENT PERFORMING THE SERVICES.

In the event that Customer rents and takes possession of Envent's equipment, Customer acknowledges and assumes all risks inherent in the operation and use of the Equipment by Customer, and while in possession of the Equipment will take all necessary precaution to protect all persons and property from injury or damage. Envent shall not be responsible to Customer or to any other party for any loss, damage or injury (including any loss of profits, business interruption or other special or consequential damages) caused by, resulting from, or in any way connected with the Equipment, its operation or use, or any defect with respect thereto. CUSTOMER SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS ENVENT AND ITS AFFILIATES, AGENTS, OFFICERS, DIRECTORS, MANAGERS, MEMBERS, REPRESENTATIVES AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS AND DAMAGES, CAUSES OF ACTION, COSTS, EXPENSES, REASONABLE ATTORNEYS' FEES, LOSSES, OR LIABILITY, OF EVERY NATURE OR CHARACTER WHATSOEVER ("CLAIMS") ARISING OUT OF, IN CONNECTION WITH OR RELATED TO CUSTOMER'S BREACH OF ANY REPRESENTATION OR OBLIGATION OF CUSTOMER UNDER THIS AGREEMENT OR CLAIMS FOR INJURIES TO OR DEATH OF PERSONS OR DAMAGE TO PROPERTY ARISING OUT OF THE USE, MAINTENANCE, INSTRUCTION, OPERATION, POSSESSION OR RENTAL OF THE EQUIPMENT, INCLUDING ANY CLAIMS CAUSED BY THE NEGLIGENCE OF ENVENT, FOR:

- A. PERSONAL INJURY, DEATH, OR DAMAGE TO PROPERTY, INCLUDING CONTAMINATION OF OR ADVERSE EFFECTS ON THE ENVIRONMENT;
- B. ANY VIOLATION BY CUSTOMER OR ITS CUSTOMERS OF ANY APPLICABLE FEDERAL, STATE, OR LOCAL LAW, ORDER, RULE, OR REGULATION, INCLUDING RULES AND REGULATIONS IN THIS AGREEMENT;
- C. ANY PATENT OR COPYRIGHT INFRINGEMENT BY CUSTOMER OR ITS CUSTOMERS OR SUPPLIERS;
- D. ANY INJURY, ILLNESS, DISEASE, DEATH, OR OTHER HARM SUFFERED OR INCURRED BY ANY EMPLOYEE OF THE CUSTOMER, ITS EMPLOYEES, OR CUSTOMERS;
- E. CUSTOMER'S OR ITS CUSTOMERS' BREACH OF THIS AGREEMENT;
- F. ANY ATTORNEYS' FEES, COSTS AND EXPENSES INCURRED BY ENVENT IN ENFORCING THIS PROVISION.

CUSTOMER'S DUTY TO INDEMNIFY ENVENT SHALL APPLY EVEN IN THE EVENT THE LOSS WAS CAUSED BY THE NEGLIGENT ACT OR OMISSION OF ENVENT. CUSTOMER SHALL FULLY INDEMNIFY, DEFEND AND HOLD HARMLESS ENVENT FROM ANY AND ALL LOSS TO THE PROPERTY OR EQUIPMENT OF CUSTOMER OR ANY OF ITS CUSTOMERS AND ANY AND ALL CLAIMS BROUGHT BY OR ON BEHALF OF CUSTOMER'S EMPLOYEES, AGENTS OR SERVANTS OR ANY OF ITS CUSTOMERS AGAINST ENVENT. THE INDEMNIFICATION PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT. THE LIABILITY OF THE CUSTOMER TO ENVENT IS NOT LIMITED TO THE CONTRACTOR'S INSURANCE COVERAGE.

15. **Waiver.** No failure of Envent to take any action or assert any right shall be deemed a waiver of that right in the event of the continuation or repetition of the circumstances giving rise to such right.



16. **Governing Law.** This Agreement, and all transactions contemplated hereby, shall be governed by, construed, and enforced in accordance with the laws of the State of Texas. The parties herein waive trial by jury and agree to submit to the personal jurisdiction and venue of a court of subject matter jurisdiction located in Harris County, State of Texas. In the event that litigation results from or arises out of this Agreement or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs, and all other expenses, whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled.
17. **Off-Spec Service Charge.** Envent reserves the right to assess an off-spec service charge for any waste if determines to be nonconforming. As used in this Agreement, the phrase "off-spec" means any waste with respect to which the quality, consistency, type, chemical composition, or the relative mix is inconsistent with the Waste Description (profile) to be obtained by Envent. Envent shall notify Customer of the existence of off-spec waste and the associated additional service charge prior to effecting final disposal of said waste.
18. **Other Off-Spec Requirements:** If waste is discovered to be off-spec or otherwise non-conforming, if there is a permissible location for delivery of the waste, Envent shall proceed to deliver the waste to an alternative acceptable location and the Customer shall pay Envent its reasonable additional expenses and charges for handling, loading, preparing, transporting, storing, and caring for off-spec or otherwise nonconforming waste. In the event that there is no acceptable alternative location for delivery of the waste, Envent shall return the waste to the Customer and the Customer shall pay Envent its reasonable expenses and charges for handling, loading, preparing, transporting, storing, and caring for off-spec or otherwise nonconforming waste.
19. **Customer Warranties.** Customer warrants, to the best of Customer's knowledge, that: (i) Customer holds clear title to all materials being serviced hereunder and is under no legal restraint or under which would prohibit the Services from being provided; and (ii) The person who executes this Agreement on behalf of Customer is duly authorized to do so. (iii) Containers supplied by Customer shall be in compliance with any and all applicable DOT, EPA, and RCRA regulations and the provisions of all other applicable laws, rules, regulations, and orders insofar as is required for waste meeting the Waste Description applicable to the waste intended to be placed therein.
20. **Customer Responsibilities.** Customer shall provide Envent with the information and the documentation Envent requests to assess, plan, and perform the Services and/or provide the Equipment. All Equipment is provided, and Services are performed, based on information provided by Customer or others, and Envent is relying on the accuracy and completeness of such information in providing the Equipment and performing such Services. Customer recognizes that it is impossible for Envent to assure the accuracy, completeness and sufficiency of information provided by others, either because it is impossible to verify, or because of errors or omissions that may have occurred in assembling such information. Customer is responsible for providing a secure and safe work environment for all parties, including Envent and its employees, and for ensuring that the Services are carried out in compliance with applicable laws. In the event that Envent, in its sole discretion, determines that it is unable to perform the Services because Customer has not provided a secure and safe work environment, Envent reserves the right to refuse to provide the Services and/or provide the Equipment without any liability whatsoever to Customer and Customer shall be responsible for any increased costs incurred by Envent.
21. **Force Majeure & Suspension of Services.** Envent's obligations to Customer to perform the Services pursuant to this Agreement may be suspended by either party and the time for Envent to perform the Services shall be extended in the event of any of the following: (i) act of God, war, riot, fire, explosion, accident, or flood; (ii) lack of adequate fuel, power, raw material, labor containers, or transportation facilities; (iii) compliance with governmental requests, laws, regulations, orders, or other required licenses or approvals; (iv) breakage or failure of machinery or apparatus; (v) national defense requirements or any other event beyond the reasonable control of such party; and/or (vi) labor trouble, strike, lockout, or injection (provided that neither party shall be required to settle a labor dispute against its own best judgment).
22. **Insurance Assignment.** To the extent Customer has in place an insurance policy which provides benefits which are payable for the Services being provided by Envent to Customer, to the extent necessary to pay Envent in full for the Services, Customer hereby assigns to Envent all rights under Customer's policy and all rights to the payment of benefits under Customer's policy. When Envent is paid in full for its Services, Envent will reassign to Customer all rights under Customer's insurance policy which were assigned to Envent under this proposal.
23. **The Customer warrants** that any right-of-way provided by the Customer to/from the Customer's premises to/from the most convenient public way, is sufficient to bear the weight of all Envent equipment and vehicles reasonably required to perform the services. Envent shall not be responsible for damages caused to any private pavement or accompanying subsurface of any route reasonably to perform the Services and Customer shall indemnify, defend, and hold Envent harmless from any and all claims of any kind for injury to person or property arising from Envent's use of private pavement and accompanying subsurface of any route reasonably required to perform the Services.
24. **Counterparts.** This Agreement may be executed by the parties hereto in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument, respectively. Executed copies of the signature pages of this Agreement sent by facsimile or transmitted electronically in either Tagged Image Format Files or Portable Document Format shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment.
25. **Additional Terms & Conditions for Equipment Rental:**
- Delivery, Receipt and Inspections of Equipment.** Unless otherwise agreed to in writing, Envent, or its authorized designee, shall deliver the Equipment to the Customer Job Site designated on the Cover Page. Customer agrees not to remove the Equipment from that location without the prior written consent of Envent, except in the case of equipment specifically designed and intended for mobility (as noted on the Cover Page). Customer acknowledges by executing this Agreement that Customer has inspected the Equipment prior to taking possession thereof, finds it in good working order and repair, and suitable for Customer's needs. Customer acknowledges that, although the Equipment has, prior to delivery to Customer Job Site, been cleaned in accordance with Envent's usual cleaning procedures, Envent does not warrant that the Equipment is free of any contaminants (unless a separate specific written agreement to the contrary has been entered into by Envent with Customer) and Customer accepts the Equipment in the condition as delivered. Customer is familiar with the proper operation and use of each item of Equipment. Customer has inspected or will inspect all hitch, bolts, safety chains, hauling tongues, welds and other devices and materials used to connect the Equipment to any of Customer's equipment, including any towing vehicle, if any, and acknowledges that Envent is not responsible for any damage to Customer's equipment or towing vehicle caused by any detachable hitches or mirrors.
  - Use of Equipment.** Customer will not use, or allow anyone to use, the Equipment: (a) for an illegal or unauthorized purpose or in an illegal or unauthorized manner, (b) without a valid license, if a license for operation is required under any applicable law, or (c) who is not qualified to operate it. Customer agrees, at Customer's sole expense, to comply with all applicable municipal, state, and federal laws, ordinances and regulations (including O.S.H.A.) which may apply to the use of the Equipment. Customer is solely responsible for supervising the use and operation of the Equipment. Customer agrees that the Equipment shall be used only in the normal course of its business and is aware of all limitations of the Equipment. Customer shall keep the Equipment in good and efficient working order, condition and repair, reasonable wear and tear excepted. Customer agrees to properly maintain and care for the Equipment and to protect the health and safety of persons required to operate or come in contact with the Equipment. Customer agrees to regularly check filters, oil, fluid levels, pressures; to visually inspect the Equipment daily and immediately notify Envent if Equipment needs repair or maintenance; and to perform all necessary compliance monitoring. Customer acknowledges that Envent has no responsibility to inspect the Equipment while it is in Customer's possession although Envent has the right, in its discretion, to conduct such an inspection and to test any contents, which may be contained in the Equipment, and to access Customer's premises or job site during normal business hours for that purpose. Customer acknowledges and warrants that Envent shall incur no liability whatsoever for damage to person or property resulting from use of or caused by the Equipment or the failure of the Equipment to perform the services intended or desired by Customer, or for any damage to property of Customer or others or other property for which Customer might be held responsible resulting from use of or caused by the Equipment. Customer will not operate the Equipment in a manner that may cause damage or harm to the Equipment. In connection with its use of the Equipment, Customer will not use or process any hazardous materials unless a Supplemental Hazardous Material Agreement has been executed by both parties. If any hazardous materials are stored or transported in the Equipment, Customer agrees that Customer shall be deemed to be the generator of those materials and shall, upon request, provide Customer's EPA or other environmental licensing number to be used by Envent in connection with the disposal of any such hazardous materials. Customer acknowledges and agrees that some Equipment is equipped with pressure/vacuum relief devices or throttle stop and governor devices and Customer agrees that its employees or agents will not tamper with or adjust such devices without prior written consent of Envent.
  - Improvements of Changes to Equipment.** Customer shall not make any modifications, changes in or to the Equipment or make any improvements to the Equipment without the prior written consent of Envent, which consent may be withheld in Envent's sole discretion. Any modifications or improvements, changes or additions to the Equipment shall become and remain the property of Envent. Envent reserves the right to charge the Customer for the removal of any modifications, additions, changes or improvement made to the Equipment by Customer during the rental period.
  - Malfunction Equipment.** Should the Equipment malfunction, require repair, or become unsafe, Customer shall immediately cease using such Equipment and immediately notify Envent and provide information to Envent as to the nature of the problem. If such condition is the result of normal operation, Envent will repair or replace the Equipment with similar Equipment if such replacement Equipment is available. Envent has no obligation to replace Equipment rendered inoperable by misuse, abuse, or neglect by the Customer. Customer's sole remedy for any failure or defect in Equipment shall be the termination of this Agreement and any rental charges accruing after the date and time of notification to Envent of such failure or malfunction. The Equipment must be returned to Envent within twenty-four hours from the time of notification of defect or malfunction in order to terminate rental charges.
  - Return of Equipment, Damaged, and Lost Equipment.** At the expiration of the rental period, the Customer will return the Equipment to Envent in the same condition as when the Equipment was delivered to the Customer, empty of all contents and in clean condition, normal wear and tear excepted. Envent reserves the right to charge Customer for any repairs that may be necessary, including cleaning of interior or exterior and disposal of any contents. Customer shall be liable for all damage to or loss of the Equipment by Customer or its agents and any damage to the Equipment during transit to or from Customer. Customer shall be obligated to pay to Envent the reasonable cost of transportation, the cost of repair or replacement and the rental rate at the Envent rental rate noted on the Cover Page until all lost Equipment has been replaced or repairs to damaged Equipment have been completed. Envent shall be under no obligation to commence repair work or replacement until Customer has paid to Envent the estimated cost of such replacement or repair. In the case of the loss or destruction of any Equipment, or inability or failure to return same to Envent for any reason whatsoever, Customer will pay Envent the then full replacement list price for such item of Equipment together with the full rental rate as specified on the Cover Page until such Equipment is replaced.
  - Reasonable Wear and Tear.** Reasonable wear and tear of the Equipment shall mean only the normal deterioration of the Equipment caused by ordinary and reasonable use for a one-shift (eight hours per day) for each day that Equipment is rented from Envent. The following shall not be deemed reasonable wear and tear: (a) damage resulting from lack of lubrication or maintenance of necessary oil, water and air pressure levels; (b) damage resulting from the lack of servicing or preventive maintenance; (c) damage resulting from any collision, overturning, or improper operation, including overloading or exceeding the rated capacity of the Equipment or any part thereof; (e) wear resulting from use in excess of standard shift time; and (f) any other damage to the Equipment which is not considered ordinary



and reasonable in the equipment rental industry. Repairs to the Equipment shall be made only by a facility approved by Envent, to the reasonable satisfaction of Envent and in a manner that will not adversely affect the operation, manufacturer's design, or value of the Equipment.

- g. **Rental Period and Calculations of Charges.** Rental charges commence when the Equipment leaves Envent's Shop and end when the Equipment is returned to the same Envent location. Rental charges accrue during Saturdays, Sundays, and holidays. Rental rates are for normal usage based on an eight-hour day, forty (40) hours per week and 160 hours per month, or as agreed otherwise. On power equipment, operation in excess of one shift (eight (8) hours per day) will be at Envent's standard premium rates as provided by Envent to the Customer from time to time or upon request of the Customer. Customer will truthfully and accurately certify to Envent the number of shifts for which the Equipment was operated. Transportation costs for delivery and pick up of the Equipment covered by this Agreement shall be in accordance with Envent's standard rates at the time of such delivery or pick up. The Parties agree that Envent Corporation shall have the right to apply a fuel surcharge to reflect the increases in the prices of fuel in accordance with current operating practices. The Equipment is furnished F.O.B. Envent's shop and Customer shall pay the transportation charges for the Equipment to and from Envent's Shop to the customer Job Site, as noted on the Cover Page. Customer shall pay all rental charges without any offsets, deductions, or claims.
- h. **Refueling Service Charges.** Customer acknowledges that a "Refueling Service Charge" will be applied to all Equipment not returned with a full tank of fuel. The exact cost of the Refueling Service Charge may vary depending on the rate being charged by the Shop Location on the date Customer returns the Equipment. Customer acknowledges that the Refueling Service Charge is not a retail sale of fuel. Customer may avoid the Refueling Service Charge if Customer returns the Equipment with a full tank of fuel.
- i. **Late Returns.** Customer agrees that if the Equipment is not returned by the end of the Rental Period, or if the Tanks are not in RCRA Empty Condition when Envent comes to the Customer site to pick up the Tanks, Envent, in its sole discretion, may require Customer to do any of the following: (A) continue to pay the rental rate(s) applicable to the Equipment as specified in the Agreement; (B) for periods less than 24 hours, pay the full daily rental rate applicable to the Equipment; (C) pay any increased rental rate(s) in effect at the time of, or after, the expiration of the Rental Period; or (D) assess a pickup charge if the Tanks are not in RCRA Empty Condition. Customer agrees that Envent reserves the right to charge the Credit Card, and/or Customer's account for any amount owed by Customer pursuant to this section due to late return of Equipment.
- j. **Customer Personal Property.** With respect to any personal property left in or on the Equipment upon expiration of the Rental Period, Envent is not a bailee or warehouseman of Customer's, or any other person's, personal property. Envent expressly disclaims any custody, control, or responsibility for the care of Customer's, or any other person's, personal property. Envent or its agents may remove the personal property from the Equipment. Under no circumstances are Envent or its agents responsible for any personal property that may be lost, stolen, or damaged. Customer personal property left in or on the Equipment upon expiration of the Rental Period may be considered abandoned, unclaimed property in accordance with applicable state law.
- k. **Charges for Services.** Charges for Services to be provided by Envent personnel, shall be at the hourly or other rates specified for the Services as set forth in the Cover Sheet or the Services Schedule attached to the Agreement and shall be invoiced to and paid by Customer in accordance with procedures set forth on the Cover Page/Services Schedule.
- l. **Deposit.** In addition to securing the payment of rental charges hereunder, Customer agrees that any rental deposit required by Envent, shall be deemed to be a guaranty by Customer of the full and complete performance of each and all the terms, covenants, and agreements to be performed by Customer hereunder, and in the event of any breach by Customer thereof said deposit shall be credited against any damages, costs or expenses incurred.
- m. **Termination.** Envent shall have the right to terminate this Agreement for any reason upon notice to Customer and require the Customer to return the Equipment to Envent within twenty-four (24) hours of such notification, Customer shall be required to pay for the use of the Equipment or services through the date of the notice of termination and agrees to be bound by these Terms and Conditions until Equipment is returned and all charges are paid in full.
- n. **Permits.** If Customer is using or renting a piece of equipment associated with any Envent or EC Vapor Control permit, the customer is fully responsible for the compliance with all permit conditions and any applicable rules and regulations. Any variances will be mitigated immediately and be reported within 30 minutes to Envent Corporation account manager, dispatcher or supervisor. Permits include by are not limited to: AQMD, APCD, EPA, DTSC. Any time a customer chooses to maintain the compliance with an Envent or EC Vapor Control system; they accept complete responsibility for any and all notices of violation, notices of compliance or any other action taken by any environmental agency or department.
- o. **Release.** Customer releases and forever discharges Envent from any and all liability or damages (including consequential and special damages) which might be caused by Envent's failure or inability to deliver any Equipment or Services by any specified date or time.
- p. **Title/No Purchase Option/No Liens and Security Interest.** This Agreement is not a contract of sale, and title to the Equipment shall at all times remain with Envent. Unless covered by a specific supplemental agreement signed by Envent, the Customer has no option or right to purchase the Equipment. Customer shall keep the Equipment free and clear of all mechanics and other liens and encumbrances and shall immediately notice Envent of any claim, lien, levy or legal process issued against or involving the Equipment. Customer hereby grants Envent a first priority security interest in the Equipment (including any replacements, substitution, additions, attachments and proceeds). Customer will deliver to Envent such signed documents as Envent may request to protect Envent's interest in the Equipment. Operator irrevocably authorizes Envent to file a UCC-1 financing statement in appropriate jurisdictions to perfect the security interest granted by this Agreement. Envent shall have the right to attach or place a serial number or other form of identification on each item of Equipment and Customer agrees not to remove or obstruct such identification. Envent possess all rights as a secured creditor and Envent shall have all remedies available to a secured creditor under the Uniform Commercial Code. In the event of any default, Customer shall, at the request of Envent, assemble the Equipment and make the Equipment available to Envent at a place designated by Envent which is reasonably convenient to both parties. Customer acknowledges and agrees that the Equipment shall be utilized in the Customer's trade or business and agrees that the Equipment shall not be used for personal, family or household purposes.
- q. **Tire/Tube Repair or Replacement.** Repair or replacement of tires and tubes is the responsibility of the Customer and is not included in the rental rate.
- r. **Default.** Customer shall be deemed in default should Customer fail to pay any amount when due hereunder; fail to perform, observe or keep any provision of the Agreement; become "Insolvent" (as defined herein); or should Envent anticipate that Customer may become Insolvent; or otherwise be in default. If Customer is in default, Envent may do any one or more of the following: (1) terminate the Rental Period; (2) declare the entire amounts due hereunder immediately due and payable and commence legal action therefor; (3) cause Envent's employees or agents, with notice but without legal process, to enter upon Customer's property and take all action necessary to retake and repossess the Equipment, and Customer hereby consents to such entry, re-taking and repossession and hereby waives all claims for damages and losses, physical and pecuniary, caused thereby and shall pay all costs and expenses incurred by Envent in retaking and repossessing the Equipment; or (4) pursue any other remedies available by law. Customer shall be considered "Insolvent" if Customer shall generally not pay, or be unable to pay, or admit its inability or anticipated inability to pay its debts as such debts become due; make an assignment for the benefit of creditors, or petition or apply to any court or tribunal for the appointment of a custodian, receiver, or trustee for it or a substantial part of its assets; commence any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; have had any such petition or application filed or any such proceeding commenced against it in which an order for relief is entered or an adjudication or appointment is made; or take any action indicating its consent to, approval of or acquiescence in any such petition, application, proceeding or order for relief or the appointment of a custodian, receiver or trustee for all or any substantial part of its properties.
- s. **Repossession of Equipment.** In the event of any actual or anticipatory violation of or default in any of the terms and conditions of this contract by the Customer, Envent may terminate the Agreement and without notice or legal process, go upon Customer's property or the Job Site and take all action reasonably necessary to take possession of the Equipment. Customer waives all claims for damages and losses, physical or pecuniary, caused thereby, and shall pay all costs and expenses incurred by Envent in taking possession of the Equipment. Should Customer claim that any of said Equipment contains property belonging to Customer, the Customer shall give written notice to Envent of such fact within a period twenty-four (24) hours. Failure to give such notice within said twenty-four (24) hours shall forever bar Customer from asserting any claim or claims against Envent on account of property alleged to have been in said retaken Equipment.
- t. **Customer's Insurance Coverage.** Customer agrees to maintain and carry, at its sole cost, adequate liability, physical damage, public liability, property damage and casualty insurance for the full replacement cost of the Equipment, including all risks of loss or damage covered by the standard extended coverage endorsement to cover any damage or liability arising from the handling, transportation, maintenance, operation or use of the Equipment during the entire rental period. When requested, Customer shall supply to Envent proof of such insurance by Certificate of Insurance clearly setting forth the coverage for the Equipment and naming Envent as loss payee and additional insured. In addition to and as a separate and distinct obligation from the indemnification duties contained herein, Customer agrees that it now carries and will maintain in force, at its sole cost, during the performance of this Agreement, and shall require its subcontractors to maintain, insurance as follows: (i) Workers' Compensation - statutory limits and Employer's Liability - \$1,000,000 per occurrence; (ii) Commercial General Liability - \$2,000,000 per occurrence/\$5,000,000 aggregate (This coverage shall include comprehensive form, premises, operations, XCU (explosion, collapse, and ground hazard), products/completed operations, broad form contractual liability, independent underground hazard), products/completed operations, broad form contractual liability, independent contractors, property damage, and personal injury; and (iii) Automobile Liability for owned, non-owned, or hired vehicles - \$2,000,000 per occurrence and \$5,000,000 aggregate. Customer shall maintain insurance to cover loss or damage to Equipment, materials, and tools that are owned, leased, or rented by or for which Customer has responsibility. All policies shall: (A) include Envent as Additional Insureds, without regard to the liabilities contained in this Agreement; (B) be primary to any other insurance maintained by Envent; (C) contain a waiver of subrogation on behalf of the Insurer and Customer; (D) contain a Severability of interest and/or cross liability provision; and (E) provide 30-days' notice to Envent in the event of any nonrenewal cancellation, restriction, or modification of insurance. Customer shall provide Envent with certificates of such insurance or satisfactory evidence of the above-stated coverages prior to using the Equipment or the performance of the Services.
- u. **No Assignment, Lending, or Subletting.** Customer shall not sublease, subrent, assign or loan the Equipment, and any such action by Customer shall be void. Customer agrees to use and keep the Equipment at the job site set forth on the Cover Page of this Agreement unless Envent has so authorized otherwise in writing. Envent may at any time, without notice to Customer, transfer or assign the Agreement or any Equipment or any moneys or other benefits due or to become due hereunder.
- v. **Entire Agreement/Only Agreement.** This written Agreement (and all attached Schedules and exhibits and any amendments or supplemental agreement entered into between the Parties) together with the Credit Application, if any, which Customer has provided to Envent, represents the entire agreement between the Customer and Envent relating to the Equipment and the Services. In the event of any conflict in terms, this Agreement shall control. There are no oral or other representations or agreements not included herein. None of Envent's rights or Customer's rights may be changed and no extension of the terms of this Agreement may be made except in writing, signed by both Envent and Customer. Any use or reference to Customer's purchase order number on this Agreement is for



## PROPOSAL

Date: December 12, 2023

Proposal Number: Q-22798

Customer's convenience only and such purchase order shall not be deemed to be incorporated into or part of this Agreement. This Rental Agreement supersedes any purchase order or other Customer provisions or forms whether sent to or received prior, or subsequent to this Agreement.

Confidentiality Notice: This quotation and any associated document(s) are privileged and confidential, and are intended for the sole use of the addressee(s). They cannot be used, circulated, duplicated, quoted or otherwise referred to or disclosed to third parties for any reason without the written consent of an Officer of Envent Corporation. If you have received this information in error, please immediately contact us at [hugo.escalante@envent.net](mailto:hugo.escalante@envent.net). Thank you.