

UNITED STATES OF AMERICA

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placed such Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, now in further conformity with the procedure described in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby makes the following jurisdictional findings and issues the following Order:

1. Respondent Valero Energy Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at One Valero Place, San Antonio, Texas 78212.
2. Respondent Ultramar Diamond Shamrock Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 6000 N. Loop 1604 West, San Antonio, Texas 78249.
3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the Respondents, and the proceeding is in the public interest.

understandings listed in Schedule A, attached as a confidential attachment; at the acquirer's option, all contracts, agreements or understandings (other than those listed in Schedule A) relating to the transportation, terminaling, storage or sale of the refinery's petroleum product output; at the acquirer's option, all agreements (other than those listed in Schedule A) under which Ultramar receives crude oil or other inputs at or for the refinery; and, at the acquirer's option, all exchange agreements involving the refinery; all plans (including proposed and tentative plans, whether or not adopted), specifications, drawings, and other assets (including the non-exclusive right to use patents, know-how, and other intellectual property relating to such plans) related to the operation of, and improvements, modifications, or upgrades to, the Golden Eagle refinery; (2) Ultramar's refinery located at Wilmington, California, and all of Ultramar's interest in all tangible assets used in the operation of the refinery; all licenses, agreements, contracts, and permits used in the operation of the refinery, including but not limited to docks, associated tanks, and pipelines; the non-exclusive right to use all patents, know-how, and other intellectual property used by Ultramar in the operation of the refinery; at the acquirer's option, all contracts, agreements or understandings relating to the transportation, terminaling, storage or sale of the refinery's petroleum product output; at the acquirer's option, all agreements under which Ultramar receives crude oil or other inputs at or for the refinery; and, at the acquirer's option, all exchange agreements involving the refinery; all plans (including proposed and tentative plans, whether or not adopted), specifications, drawings, and other assets (including the non-exclusive right to use patents, know-how, and other intellectual property relating to such plans) related to the operation of, and improvements, modifications, or upgrades to, the Wilmington refinery; and (3) Ultramar's California Retail Assets.

- D. "CARB Gasoline" means motor fuel used in automobiles that meets the specifications of the California Air Resources Board.
- E. "Commission" means the Federal Trade Commission.
- F. "Effective Date of Divestiture" means the date on which the applicable divestiture is consummated.
- G. "Golden Eagle CARB Refining and Marketing Assets" means: (1) Ultramar's Golden Eagle refinery located at Avon, California and all of Ultramar's interest in all tangible assets used in the operation of the refinery, including but not limited to docks, associated tanks, and pipelines; all licenses, agreements, contracts, and permits used in the operation of the refinery; the non-exclusive right to use all patents, know-how, and other intellectual property used by Ultramar in the operation of the refinery; all agreements, contracts and understandings listed in Schedule A; at the acquirer's option, all contracts, agreements or understandings (other than those listed in Schedule A) relating to the transportation, terminaling,

relating to the Retail Sites that are listed in Schedule B.

II.

IT IS FURTHER ORDERED that:

- A. Respondents shall divest the Golden Eagle CARB Refining and Marketing Assets to a single acquirer that receives the prior approval of the Commission and only in a manner that receives the prior approval of the Commission, absolutely and in good faith and at no minimum price, within twelve (12) months from the date Respondents execute the Consent Agreement.
- B. Respondents shall offer the acquirer of the Golden Eagle CARB Refining and Marketing Assets an indemnity, subject to the prior approval of the Commission and to be effective upon the Effective Date of Divestiture of the Golden Eagle CARB Refining and Marketing Assets, which indemnity shall allocate among Respondents and the acquirer, on such terms as the Respondents and the acquirer agree, responsibility with respect to potential claims and liabilities arising out of failure to comply with local, state, and federal environmental obligations in connection with the Golden Eagle refinery and the Retail Sites that are divested or assigned pursuant to this Paragraph.
- C. In the event that Respondents are unable to satisfy all conditions necessary to divest any intangible asset, Respondents shall: (1) with respect to permits, licenses or other rights granted by governmental authorities (other than patents), assign to the acquirer all such rights, interests, claims, and obligations, including but not limited to the right to sue and be sued, in connection with the Golden Eagle refinery and the Retail Sites that are divested or assigned pursuant to this Paragraph, and only in the event that Respondents are unable to satisfy all conditions necessary to divest any intangible asset, Respondents shall: (1) with respect to permits, licenses or other rights granted by governmental authorities (other than patents), assign to the acquirer all such rights, interests, claims, and obligations, including but not limited to the right to sue and be sued, in connection with the Golden Eagle refinery and the Retail Sites that are divested or assigned pursuant to this Paragraph.

into the required agreements, thereby binding Respondents, all on such terms and conditions as are necessary to comply with the requirements of the applicable paragraph, to comply with all applicable laws, and to effectuate the remedial purposes of this Order. Subject to the prior approval of the Commission, the

appropriate to accomplish the divestitures required by this Order.

11. The trustee shall have no obligation or authority to operate or maintain the assets to be divested.
12. The trustee shall report in writing to Respondents and the Commission every sixty (60) days concerning the trustee's efforts to accomplish the divestitures.

IV.

IT IS FURTHER ORDERED that within sixty (60) days after the date this Order becomes final and every sixty (60) days thereafter until Respondents have fully complied with the provisions of Paragraphs II and III of this Order, Respondents shall submit to the Commission a verified written report setting forth in detail the manner and form in which they intend to comply, are complying, and have complied with these Paragraphs. Respondents shall include in their compliance reports, among other things that are required from time to time, a full ofull

correspondence, memoranda and all other records and documents in the possession or under the control of each Respondent relating to any matters contained in this Order; and

- B. Upon five days' notice to each Respondent and without restraint or interference from it, to interview officers, directors, or employees of Respondent, who may have counsel present, regarding any such matters.

VII.

IT IS FURTHER ORDERED that if (1) within the time period required for divestiture pursuant to Paragraph II of this Order, Respondents have submitted a complete application in support of the divestiture or other relief (including the acquirer, manner of divestiture and all other matters subject to Commission approval) as required by such paragraphs; and (2) the Commission has approved the divestiture or other relief and has not withdrawn its acceptance; but (3) Respondents have certified to the Commission prior to the expiration of the applicable time period that (a) notwithstanding timely and complete application for approval by Respondents to the State or District under an applicable consent decree to which the State (or District) and Respondents are parties, the State or District has failed to approve the divestiture or other relief that is also required under this Order, or (b) a State or District has filed a timely motion in court seeking to enjoin the proposed divestiture or other relief under an applicable consent decree to which the State (or District) and Respondents are parties, then, (4) with respect to the particular divestiture or other relief that remains unconsummated, the time in which the divestiture or other relief is required under this Order to be complete shall be extended (a) for ninety (90) days or (b) until the disposition of the motion filed by the State or District pertaining to the proposed divestiture or other relief, whichever is later. During such period of extension, Respondents shall exercise utmost good faith and best efforts to resolve the concerns of the particular State.

By the Commission.

Donald S. Clark
Secretary

SEAL

ISSUED:

[redacted]

SCHEDULE B

<u>Store</u>	<u>Address</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Zone Number</u>
3674	851 N. Highway 49	Jackson	CA	95642	351
3609	1021 South St	Orland	CA	95963-1640	351
3621	18475 N Highway 1	Fort Bragg	CA	95437-8774	351
3622	1250 S Main St	Willits	CA	95490-4306	351
3623	1105 S State St	Ukiah	CA	95482-6410	351
3628	812 Main Street	Weaverville	CA	96093	351
3678	585 E Perkins St	Ukiah	CA	95482-4508	351
3679	440 S Main St	Red Bluff	CA	96080-4316	351
3680	506 6th St	Orland	CA	95963-1229	351
3692	975 S Main St	Lakeport	CA	95453-5512	351
3693	15010 Lakeshore Dr	Clearlake	CA	95422	351
3544	7920 Brentwood Blvd	Brentwood	CA	94513-1004	351
3558	42245 Fremont Blvd	Fremont	CA	94538-4143	351
3594	40500 Fremont Blvd	Fremont	CA	94538-4304	351
3604	1619 1st St	Livermore	CA	94550-4303	351
3712	4321 Clayton Rd	Concord	CA	94521-2842	351
3713	2501 Pacheco Blvd	Martinez	CA	94553-2043	351
3714	3767 Alhambra Ave	Martinez	CA	94553-3803	351
3715	1616 Oak Park Blvd	Pleasant Hill	CA	94523-4410	351
3716	1990 San Ramon Valley Blvd	San Ramon	CA	94583-1204	351
3717	2098 Mt Diablo Blvd	Walnut Creek	CA	94596-4302	351
3720	1088 Marina Blvd	San Leandro	CA	94577-3437	351
3721	44 Lewelling Blvd	San Lorenzo	CA	94580-1628	351
3520	2998 Churn Creek Rd	Redding	CA	96002-1130	351
3521	2071 North St	Anderson	CA	96007-3456	351
3549	3212 S Market St	Redding	CA	96001-3530	351
3572	2700 Gateway Dr	Anderson	CA	96007-3531	351
3630	37303 State Highway 299 E	Burney	CA	96013-4371	351
3088	I-5 & Road 8	Dunnigan	CA	95937	351
3428	5040 El Camino Ave	Carmichael	CA	95608-4650	351
3447	3 Main St	Woodland	CA	95695-3123	351
3527	601 Sunrise Ave	Roseville	CA	95661-4109	351
3542	4250 Madison Ave	North Highlands	CA	95660-5403	351
3601	8070 N. Lake Blvd	Kings Beach	CA	95719	351
3603	10299 Folsom Blvd	Rancho Cordova	CA	95670-3516	351
3642	6990 Douglas Blvd	Granite Bay	CA	95746-6214	351
3683	8651 Folsom Blvd	Sacramento	CA	95826-3708	351
3684	1312 Broadway	Placerville	CA	95667-5902	351
3685	9301 Greenback Ln	Orangevale	CA	95662-4901	351
3686	3430 Taylor Rd	Loomis	CA	95650-9583	351
3687	1110 High St	Auburn	CA	95603-5110	351
3688	2304 Lake Tahoe Blvd	S. Lake Tahoe	CA	96150-7107	351
3694	1001 Sacramento Ave	Broderick	CA	95605-1902	351
3783	7550 Watt Ave	North Highlands	CA	95660-2609	351
3420	1370 Camden Ave	Campbell	CA	95008-6702	351
3586	929 Fremont Ave	Los Altos Hills	CA	94024-6013	351
3602	1885 N Milpitas Blvd	Milpitas	CA	95035-2505	351
3723	2790 Story Rd	San Jose	CA	95127-3922	351
3724	1365 Kooser Rd	San Jose	CA	95118-3814	351
3725	1598 Alum Rock Ave	San Jose	CA	95116-2425	351

3786 921 W Hamilton Ave