ROGERS JOSEPH O'DONNELL
ROBERT C. GOODMAN (State Bar No. 111554)
D. KEVIN SHIPP (State Bar No. 245947)
311 California Street
San Francisco, California 94104
Telephone: 415.956.2828
Facsimile: 415.956.6457

Attorneys for Petitioner
CHEVRON ENVIRONMENTAL
MANAGEMENT COMPANY

STATE WATER RESOURCES CONTROL BOARD

STATE OF CALIFORNIA

In the Matter of the Los Angeles Regional Water Quality Control Board's August 21, 2012 Directive Issued to CHEVRON ENVIRONMENTAL MANAGEMENT COMPANY and Requiring Certain Action Related to the Catalina Cruise Terminal, Port of Los Angeles, Berths 95/96 (Former Chevron Marine Terminal) 1510 Swinford Street, San Pedro, California (SCP No. 1150, Site ID No. 2040150).	PETITION NO. **CHEVRON ENVIRONMENTAL MANAGEMENT COMPANY'S PETITION FOR REVIEW, REQUEST FOR A HEARING, AND REQUEST FOR STAY**

I. PETITION FOR REVIEW

Pursuant to California Water Code section 13320 and Title 23 of the California Code Regulations ("CCR") §§ 2050 *et seq.*, Petitioner Chevron Environmental Management Company ("Chevron EMC" or "Petitioner") hereby petitions the State Water Resources Control Board ("State Board") for review of the directive issued by the Regional Water Quality Control Board, Los Angeles Region ("Regional Board") on August 21, 2012, ("Directive") requiring certain actions related to the former Catalina Cruise Terminal, Port of Los Angeles, Berths 95/96 (adjacent to the former Chevron Marine Terminal), 1510 Swinford Street, San Pedro, California, SCP No. 1150, Site ID No. 2040150 ("the Site"). The Site is owned by the Port of Los Angeles (the "Port") and is being redeveloped as part of the China Shipping Phase Three Expansion Project. The Directive inappropriately and improperly

requires Chevron EMC to:

(1) submit a groundwater monitoring well installation network work plan by December 15, 2012, arbitrarily advancing the previously established deadline for the submission of this work plan by one year;

(2) "use" arbitrarily selected "cleanup goals" until a Final Remedial Action Plan ("Final RAP") is submitted and approved by the Regional Board; and

(3) submit a Final RAP to the Regional Board by the arbitrary date of July 20, 2013, before sufficient information regarding Site conditions will be available.

The requirements imposed by the Directive are inappropriate and improper for several reasons. First, the Directive offers no rationale for its arbitrary revision of the due date for the groundwater monitoring workplan or its selection of a due date for the Final RAP. Second, there is no legal basis for the Directive's requirement that Chevron EMC "use" cleanup goals prior to the selection of a Final RAP, where the Directive recognizes that site-specific cleanup levels will be selected in the Final RAP, offers no technical rationale for its selection of the identified "cleanup goals," and fails to specify how these "goals" are to be used. And third, the Directive fails to consider the specific conditions at the Site, and the redevelopment timeline for the Site, in establishing the specified deadlines and in selecting the stated "cleanup goals," and thus it is inconsistent with State Board Resolution 92-49, which specifies an orderly process for the investigation and remediation of sites. The Directive is not supported by the record, and is arbitrary, capricious, and in violation of law and policy, and therefore should be rescinded. Petitioner requests the Directive be stayed and requests a hearing in this matter.

II. PETITIONER

The name and address of Petitioner is:

Chevron Environmental Management Company
6101 Bollinger Canyon Road
San Ramon, CA 94583

Petitioner should be contacted through its legal counsel:

ROGERS JOSEPH O'DONNELL
ROBERT C. GOODMAN
311 California Street, 10th Floor
San Francisco, CA 94104
Telephone: (415) 956-2828
Facsimile: (415) 956-6457
E-mail: rgoodman@rjo.com

III. ACTION OF THE REGIONAL BOARD TO BE REVIEWED

Petitioner respectfully requests that the State Board review the Directive, which inappropriately and improperly establishes the requirements described above. A copy of the Directive is attached to the Declaration of Joseph J. Muzzio ("Muzzio Decl.") as Exhibit A.

IV. DATE OF THE REGIONAL BOARD ACTION

The Regional Board issued the Directive on August 21, 2012.

V. STATEMENT OF REASONS WHY THE REGIONAL BOARD'S ACTION WAS INAPPROPRIATE OR IMPROPER

As set forth more fully below, the action of the Regional Board is not supported by the record, and is arbitrary, capricious, and in violation of law and policy.

A. Background

1. The Site

The Site is within a larger commercial and industrial marine terminal facility owned by the Port. Surrounding land uses consist primarily of industrial properties. The former Chevron Marine Terminal operated at the marine terminal facility, on the property north and northwest of the Site (Berth 100), for approximately 70 years. Following closure and demolition of the facility between 1991 and 1993, a site-wide excavation to remediate soil and groundwater was completed. (October 12, 2011, Interim Remedial Action Plan

("IRAP") at 2.[1]) Following remediation, the former Chevron Marine Terminal site was redeveloped and is now occupied by the China Shipping Terminal. (IRAP at 8.)

The Port later determined that the China Shipping Terminal should be expanded and selected the Site for that purpose. The Site was formerly used by Catalina Express and Island Express to operate a ferry service to Catalina Island. (IRAP at 9.) The Site was never owned, leased, or operated by Chevron EMC. (IRAP at 2.) Environmental assessments have been performed at the Site from 1993 to the present and cleanup activities have been implemented from 2007 to the present. (IRAP at 9.)

Subsurface investigations have documented the presence of petroleum hydrocarbons in soil and groundwater at the Site. (IRAP at 9-16.) Potential sources that have or may have contributed to the presence of petroleum hydrocarbons include the former Chevron Marine Terminal, three active United States Navy ("Navy") product pipelines running along at the northern portion of the Site, and a 12-inch diameter pipeline used to transport bunker fuel running through the Site. (IRAP at 16.) The Port, as the owner of the Site, will ultimately be responsible for compliance with final cleanup goals. (Regional Board's December 1, 2011 letter approving IRAP ("IRAP Approval Letter") at 2, Attached to the Muzzio Decl. as Exhibit B.) However, Chevron EMC and the Port are working together to address any impacts that may be associated with the former Chevron Marine Terminal and other potential sources of petroleum hydrocarbons.

2. The Interim Remedial Action and Conceptual RAP

SAIC Energy, Environment Infrastructure, LLC ("SAIC"), on behalf of Chevron EMC, submitted the IRAP to the Regional Board on October 12, 2011, addressing the petroleum hydrocarbons at the Site. The purpose of the IRAP was to "implement an appropriate remedial technology that will eliminate soil and groundwater impacts to the extent practicable that may be associated with the historical [Chevron Marine Terminal]

---

[1] The IRAP is available on the State Board's GeoTracker website at http://geotracker.waterboards.ca.gov/esi/uploads/geo_report/7593739330/SL0603707909.PDF. Chevron requests that the IRAP be included in the Administrative Record for this matter.

operations and that could potentially pose a risk to" identified receptors. (IRAP at 22.) The objectives for the remedial excavation were to (1) remove by excavation accessible areas of secondary petroleum-hydrocarbon sources in the soil that exceeded 1,000 milligrams per kilogram ("mg/kg") total petroleum hydrocarbons ("TPH") to the extent practical that could provide a continuing source to groundwater degradation, (2) enhance groundwater quality by the removal of secondary source material, and (3) protect identified potential sensitive receptors such that the Port could proceed with Site redevelopment activities scheduled to commence in July 2012. (IRAP at 22.)

The IRAP was approved by the Regional Board on December 1, 2011. The IRAP was implemented on the Site from March 27 through June 30, 2012, in accordance with the procedures described in the IRAP approved by the Regional Board.[2] (Conceptual Remedial Action Plan ("Conceptual RAP") at 2.[3])

Chevron EMC's excavation was performed in three areas identified as Area 1, Area 2, and Area 3. The remedial excavation was completed to the extent practicable, given physical site characteristics including shallow groundwater and loose sands exposed in the excavations, and obstructions such as necessary setbacks from underground pipes and utilities, property boundaries, and surface structures. An assessment of the residual petroleum hydrocarbon mass in soil, based on excavation confirmation sidewall and bottom sampling, will be submitted to the Regional Board following compilation of all soil analytical data and excavation survey data. (Conceptual RAP at 2-3.)

The Regional Board has taken what can only be described as an

---

[2] As part of the Site remedial activities, Tetra Tech, Inc. ("Tetra Tech"), working on behalf of the Port, removed a 12-inch pipeline from the Site because it was a potential source of the petroleum hydrocarbons found on the Site. (CMI Pipeline Abandonment and Removal Report-Catalina Cruise Terminal Berths 95/96, August 14, 2012, available at http://geotracker.waterboards.ca.gov/esi/uploads/geo_report/1813008129/SL0603707909.PDF.) Chevron requests that this document be included in the Administrative Record for this matter.

[3] Available at http://geotracker.waterboards.ca.gov/esi/uploads/geo_report/7822142839/SL0603707909.PDF. Chevron requests that this document be included in the Administrative Record for this matter.

unconventional approach in reviewing Chevron EMC's recent submissions relating to the Site. For example, in its IRAP Approval Letter, the Regional Board stated it was the "staff's view" that a final TPH cleanup goal of 180 mg/kg would address ground and surface water concerns.[4] (Muzzio Decl., Ex. B.) Then, in response to an objection from Chevron EMC, the Regional Board admitted that "[w]hen considering cleanup levels, parameters such as site use, threat to receptors, depth to groundwater and beneficial uses must be taken into account." (Regional Board's May 8, 2012, Letter ("Regional Board's Clarification Letter"), Muzzio Decl., Exhibit C at 3.) Oddly, in the same letter, the Regional Board stated that the Tier 1 ESLs "are appropriate for use at this specific site[.]" (*Id.*)

The Regional Board also imposed several conditions in its approval of the IRAP, including the submission by the Port of the Final RAP by June 30, 2012, to address residual impacts to soil and groundwater at the Site. The Regional Board subsequently approved the submission of a Conceptual RAP by the June 30, 2012, to allow Chevron EMC and the Port additional time to evaluate data before a Final RAP is submitted. (Regional Board's Clarification Letter, Muzzio Decl., Exhibit C at 2.) The Conceptual RAP was submitted on June 29, 2012. (Conceptual RAP.) In the Directive, the Regional Board has now arbitrarily required that the Final RAP be submitted by July 30, 2013.

The Regional Board also required as a condition of IRAP approval the submission by Chevron EMC of a groundwater monitoring installation and sampling work plan by December 15, 2013. The December 15, 2013, date was selected because the redevelopment schedule stated that construction would be completed by November, 2013.[5] (IRAP Approval Letter, Muzzio Decl., Exhibit B, Condition 21.) As required by the

---

[4] The 180 mg/kg cleanup level apparently originated from the Tier 1 environmental screening levels ("ESLs") contained in the document entitled Screening for Environmental Concerns at Sites with Contaminated Soil and Groundwater, San Francisco Bay Regional Board, Interim – November 2007, Revised May 2008 "SF Bay Regional Board ESL Guidance Document."

[5] The Regional Board also stated in the Regional Board's Clarification Letter that it "understands that site access will be limited during redevelopment; therefore, in the Regional Board Order, the due date to submit a work plan...is December 15, 2013, which is consistent with the site redevelopment schedule." (Muzzio Decl., Exhibit C at 2.)

Regional Board, the existing groundwater monitoring wells were subsequently destroyed to allow for remedial excavation and Site redevelopment. (IRAP Approval Letter, Muzzio Decl., Exhibit B, Condition 20.) The Regional Board has now arbitrarily advanced the due date for submission of the groundwater monitoring well work plan one year, to December 15, 2012.

3. The Port's Redevelopment Project

The Port began its scheduled Site development work on or around July 1, 2012, to prepare the property for expansion of the China Shipping freight terminal. (Muzzio Decl., at 5.) Redevelopment activities will include excavation in selected areas and placement of clean imported fill to raise the grade by 4 to 5 feet, then capping the property with asphalt and concrete to match the existing grade of the China Shipping freight terminal located to the north and west of the site. After matching grade with the existing terminal, China Shipping will construct cranes and other infrastructure and operate an expanded cargo container terminal. Site access for environmental activities is unknown during the Port's construction and China Shipping's subsequent freight operations, but will be assumed to be limited. (Conceptual RAP at 3.)

B. The Regional Board's Action was Inappropriate and Improper and the Directive Should be Rescinded

The Directive inappropriately and improperly requires Chevron EMC to: (1) submit a groundwater monitoring well installation network work plan by December 15, 2012, arbitrarily advancing the previously established deadline for the submission of this work plan by one year; (2) "use" arbitrarily selected "cleanup goals" until a Final RAP is submitted and approved by the Regional Board; and (3) submit a Final RAP to the Regional Board by the arbitrary date of July 20, 2013, before sufficient information regarding Site conditions will be available. The Directive is not supported by the record, and is arbitrary, capricious, and in violation of law and policy, and therefore should be rescinded.

1. The Regional Board's Selection of an Arbitrary Date for Submission of a Groundwater Monitoring Installation and Sampling Work Plan was Inappropriate and Improper

The Regional Board first addressed the date for submission of the required groundwater monitoring installation and sampling work plan in its conditions for approval of the IRAP. The Regional Board reasonably selected December 15, 2013, for submission of the work plan, tying the submission of the work plan to the redevelopment schedule for the Site. In the Regional Board's Clarification Letter, the Regional Board found that the December 15, 2013, date "is consistent with the site redevelopment schedule." (Muzzio Decl., Exhibit C at 2.) Redevelopment construction is expected to be completed by November, 2013. Setting the date for submission of a work plan to a date shortly after the expected completion of construction on the Site is reasonable as it gives Chevron EMC and others an opportunity to assess actual conditions on the ground before the work plan is finalized. (Muzzio Decl. at 6.)

In the Directive, the Regional Board shifted course, and arbitrarily concluded the work plan must be submitted by December 15, 2012, a year earlier, purportedly because it now asserts that "[a]ll the information necessary to develop [the work plan] is available at this time and having an approved work plan will avoid delay in conducting appropriate remedial action when site access becomes available." There is no dispute that the data collected from the former groundwater monitoring wells and the data collected during the implementation of the IRAP will be used to formulate the groundwater monitoring installation and sampling work plan. However, the conclusion that all necessary information is available now is not accurate. The full logistical challenges with installing and collecting data from monitoring wells while the Site is being actively used for commercial purposes is not yet known. Nor are the final characteristics of the Site following construction activities fully known. Thus while the data may be available to guide the general selection of areas for installing monitoring wells and the frequency of sampling needed, the final Site conditions must be known before a complete work plan can be submitted. It would not be cost-effective or result in a time savings if a work plan must be submitted before the full conditions on ground are

known, only to have to reformulate the work plan after construction at the Site has been completed. (Muzzio Decl. at 7.)

Accordingly, Chevron EMC requests that the December 15, 2012, date for submission of the work plan selected in the Directive be rescinded. Withdrawing the date selected in the Directive would leave in place the December 15, 2013, date for submission of the work plan which is tied to the redevelopment schedule for the Site.

2. The Regional Board's Requirement that Chevron EMC "Use" Specified Cleanup Goals Before the Submission and Approval of the Final RAP is Inappropriate, Improper and Without any Legal Basis

The Directive inappropriately and improperly requires Chevron EMC to "use" specified "cleanup goals" until a Final RAP is submitted and approved by the Regional Board. Specifically, the Directive requires that Chevron EMC

> Use the cleanup goals that were approved for the Berths 171-173 or Table B of the ESLs Document, whichever is lower in value as soil and groundwater cleanup goals for the project site until the final RAP is submitted and approved by the Regional Board.

(Directive at 3.) The Directive offers no rationale or factual support for why these cleanup goals – developed for other sites – are technically appropriate for this Site. Nor does the Directive indicate how Chevron EMC is to "use" these cleanup goals, particularly where the Directive itself (and in the same paragraph) states that "site-specific cleanup goals are yet to be developed," and where the Regional Board previously told Chevron EMC that site-specific "parameters such as site use, threat to receptors, depth to groundwater and beneficial uses must be taken into account" in developing cleanup goals for the Site. (Directive at 3.)

As discussed below, the Directive's requirement that Chevron EMC "use" these cleanup goals until site-specific cleanup goals are selected in the Final RAP serves no practical purpose, and is not legally or technically supportable.

a. **The Directive's Requirement that Chevron EMC "Use" Cleanup Goals Until the Final RAP is Approved is Inconsistent with State Policy and is Inappropriate and Improper**

The State Board has found that proper planning is needed to ensure cleanup activities are cost-effective and avoid unintended consequences. (State Board Resolution No. 92-49, Whereas 14-15.) Proper planning requires that conditions on the grounds are considered and all necessary data has been collected. (*Id.*) The State Board policy recognizes that cleanup activities should build on previous investigations and take into account variations in Site conditions over time. (*Id.*) Thus, State policy calls for the investigation of sites and selection of site specific cleanup levels through an orderly process that allows for regulatory review and an opportunity for the regulated party to respond to agency comments. Here, the Directive turns that entire process on its head, by appearing to specify cleanup goals before this process has been completed.

b. **There is no Technical Basis for the Cleanup Goals that the Directive Requires Chevron EMC to "Use" until the Final RAP is Approved are Inappropriate and Improper**

Even if the Regional Board had the legal authority to require the "use" of cleanup goals in advance of the selection of site specific cleanup levels in a Final RAP, there is no technical basis for using the cleanup goals that the Directive identifies, which were developed for situations unlike those present at this Site. The SF Bay Regional Board ESL Guidance Document states, "The Tier I ESLs presented in the lookup tables are NOT regulatory cleanup standards." (SF Bay Regional Board ESL Guidance Document at ES-2.) The document further states, "Use of ESLs as final cleanup levels for petroleum-related compounds that are known to be biodegradable is conservative. This is particularly true for leaching based soil screening levels for TPH and petroleum-related compounds." (SF Bay Regional Board ESL Guidance Document at 8-1.) Thus, it is inappropriate to impose ESL based levels as cleanup standards at this Site in the first place.

Additionally, the Regional Board derived the soil cleanup goals for TPH from Table B-2 of the ESL Document (shallow soil screening levels, commercial industrial land

use, groundwater is not a current or potential drinking water). As noted in Table B-2, the soil screening levels for TPH are based on groundwater protection (soil leaching). The soil leaching values are intended to protect non-drinking water resources (and marine aquatic habitats) to a level of 210 ug/l for TPH as gasoline, diesel, and motor oil. Applying these soil cleanup goals to the site is in error because the marine aquatic habitat goal of 210 ug/l TPH is based on a drinking water goal. (*See* SF Bay Regional Board ESL Guidance Document at 3, Table F-4a.) Thus, the Regional Board has effectively imposed a soil cleanup goal intended to protect drinking water dispute the finding that the groundwater has been de-designated from domestic and municipal supply beneficial use. (Directive at 2.)

Similarly, the Directive's reference to the cleanup goals that were approved for the Berths 171-173 Site is inapt. As a preliminary matter, those cleanup goals are the subject of a pending petition before the State Board.[6] Beyond that, the Directive offers no analysis that would suggest that cleanup levels established for the Berths 171-173 Site are appropriate for the Site. The Berths 171-173 Site is an undeveloped property and future site development plans are unknown, whereas here the Site development (as an industrial marine cargo terminal) is established. In addition, the Berths 171-173 Site has had a significant extent of free product on the groundwater surface and some apparent free product seepage into surface waters, whereas, historically, the Site has had limited free product, with no discharges to the surface waters. (Revised Remedial Action Plan, Former GATX Los Angeles Marine Terminal, Port of Los Angeles, Berths 171-173, Wilmington, California, Amended CAO Order No. R4-2008-006-A02, SCP No. 621A, Site ID No. 2040107 ("Berths 171-173 RAP")[7]; Conceptual RAP, IRAP.) And the Berths 171-173 Site includes areas of primary

---

[6] The Petition addresses the former GATX Los Angeles Marine Terminal, Berths 171-173 Site (File No. 90-006) ("Berths 171-173 Site"). Chevron Corporation submitted the Petition to the State Board on March 1, 2010 challenging the imposition of the same screening levels as cleanup levels for that site and asking the order imposing the screening levels be stayed.

[7] Berths 171-173 RAP available at http://geotracker.waterboards.ca.gov/esi/uploads/geo_report/9735137224/SL377432476.PDF. Chevron EMC requests that this document be included in the Administrative Record for this matter.

and secondary releases of petroleum hydrocarbons, whereas petroleum hydrocarbon impacts to soil and groundwater beneath the Site originated from either the former Chevron Marine Terminal which had an extensive remedial excavation in the 1990's or other spills on the Site, unrelated to Chevron. (Berths 171-173 RAP; Conceptual RAP, IRAP.)

For all of the reasons above, the Regional Board was in error in the selection of the ESLs in the SF Bay Regional Board ESL Guidance Document as the interim cleanup goals for the Site.

3. The Regional Board's Arbitrary Schedule for the Submission of the Final RAP is Inappropriate and Improper

The Regional Board originally required a Final RAP to be submitted by June 30, 2012. (IRAP Approval Letter, Muzzio Decl, Exhibit B at 2.) SAIC, on behalf of Chevron EMC, informed the Regional Board in a February 7, 2012, letter that additional time was needed to analyze data collected at the Site and requested that a later date be selected for submission of the Final RAP. (Muzzio Decl., Exhibit D.) The Regional Board concluded in the Regional Board's Clarification Letter that Chevron EMC and the Port possessed enough information regarding the types of chemicals and their expected residual concentrations to develop a conceptual approach to address residual levels of chemicals and groundwater. (Muzzio Decl., Exhibit C at 2.) SAIC submitted a Conceptual RAP on June 29, 2012. In the Conceptual RAP, Chevron EMC proposed submission of the Final RAP during the fourth quarter of 2015.[8] This would allow for the collection of eight consecutive quarters of groundwater data after construction at the Site has concluded and new groundwater monitoring wells are installed at the Site. Submission of the Final RAP in the fourth quarter of 2015 is appropriate because the selected alternative in the Conceptual RAP was MNA, with enhanced in-situ biodegradation or a comparable alternative ("EISB") retained should the data show that MNA is not sufficient. (Conceptual RAP at 7-8.) The Regional Board

[8] The Conceptual RAP stated that the Final RAP would be submitted in the fourth quarter of 2014, however, in its summary that the Conceptual RAP clarifies that two years of groundwater monitoring (after construction at the Site is completed in November, 2013) were needed to determine whether further active remedial activities would be needed at the Site.

required that the existing groundwater monitoring wells were destroyed to allow for remedial excavation and Site redevelopment. (IRAP Approval Letter, Condition 20, Muzzio Decl., Exhibit B.) Thus no additional groundwater data can be collected until after new groundwater monitoring wells are installed at the Site in the fourth quarter of 2013.

The new requirement in the Directive that a Final RAP be submitted by July 30, 2013, is not consistent with the development schedule for the Site and the conclusion in the Directive that more data was needed before it can be determined if any further active remediation at the Site is needed. Construction at the Site is not scheduled to be completed until November, 2013. Thus it will be impossible to install the new groundwater wells and collect any new data until after November, 2013. Because the Regional Board and Chevron EMC are in agreement that new data is needed before an informed decision can be made about any future action at the Site, requiring the Final RAP to be submitted before that data is available is inappropriate and improper. (*See* Directive at 2.) Further, as discussed in the Conceptual RAP, eight consecutive quarters of data are needed before it will be known if MNA will be sufficient to address any residual chemicals at the Site. Selecting remedial measures before Chevron could collect sufficient groundwater data, as proposed by the Regional Board in the Directive, would require speculating as to future trends and taking a substantial risk that the available data is not representative. (Muzzio Decl. at 9.)

VI. THE MANNER IN WHICH PETITIONER HAS BEEN AGGRIEVED

Petitioner has been aggrieved by the Regional Board's actions because they will be subjected to provisions of an arbitrary and capricious finding unsupported by evidence in the record. Further, Chevron EMC will be forced to unnecessarily incur substantial costs related to the interim cleanup levels, the groundwater monitoring plan, and the Final RAP, all of which will likely have to be substantially altered after necessary groundwater data is collected after Site redevelopment is completed in the fourth quarter of 2013.

VII. STATE BOARD ACTION REQUESTED BY PETITIONER

As discussed above, Petitioner requests that the State Board determine that the Regional Board's requirement that Chevron EMC: (1) submit a groundwater

monitoring well installation network work plan by the arbitrarily selected date of December 15, 2012; (2) "use" arbitrarily selected cleanup levels until a Final RAP is submitted and approved by the Regional Board; and (3) submit a final RAP to the Regional Board by the arbitrary date of July 20, 2013, before sufficient information regarding Site conditions will be available was arbitrary and capricious or otherwise inappropriate and improper. Chevron EMC further requests that the State Board amend the requirements so that Site cleanup levels will be a part of the Final RAP and the Final RAP will be submitted in the fourth quarter of 2015 after eight quarters of groundwater monitoring data have been collected and analyzed. Rescinding the arbitrary date for submission of the groundwater monitoring well installation network work plan would leave in place the reasonable December 15, 2013, submission date which is consistent with the redevelopment schedule for the Site.

VIII. STAY REQUEST

Petitioner requests a stay of the cleanup goals and other requirements set forth in the Directive pending resolution of the issues raised in this Petition. This stay request is based on the attached Muzzio Decl. which demonstrates (1) substantial harm to the Petitioner or the public interest if a stay is not granted; (2) a lack of substantial harm to other interested persons and to the public interest if a stay is granted; and (3) substantial questions of fact or law regarding the disputed action.

A. LEGAL GROUNDS FOR A STAY

Under section 2053 of the State Board's regulations (23 CCR § 2053), a stay of the effect of an order shall be granted if the petitioner shows:

(1) Substantial harm to petitioner or to the public interest if a stay is not granted;

(2) A lack of substantial harm to other interested parties and to the public if a stay is granted; and

(3) Substantial questions of fact or law regarding the disputed action exist.

These requirements are met in this case.

B. Petitioner will Suffer Substantial Harm if a Stay is not Granted

Petitioner challenges the Directive on the grounds that it improperly requires a groundwater monitoring work plan and Final RAP to be submitted before sufficient data will be available to prepare those documents, and further that it improperly (and ambiguously) requires Petitioner to "use" cleanup goals, until actual cleanup standards are developed in the Final RAP. In particular, the Directive requires that groundwater monitoring work plan be submitted on December 15, 2012, before redevelopment of the Site will be completed, and a Final RAP to the Regional Board on June 30, 2013, before necessary groundwater data will be available.

Petitioner will suffer substantial harm if it is required to adhere to the arbitrary schedule for preparation of a groundwater monitoring plan because it will not be able to safely and accurately develop this plan without an understanding of final Site conditions after redevelopment is completed, including an understanding of traffic flow and how to safely locate groundwater monitoring wells. Similarly, Petitioner will suffer substantial harm if it is required to adhere to the arbitrary deadline for submission of a Final RAP because it will be unable accurately develop final cleanup standards and evaluate remedial alternatives without adequate groundwater data. And Petitioner will suffer substantial harm if the requirement that it "use" specified cleanup goals until a Final RAP is developed because it faces substantial penalties for not complying with this requirement, although the Directive provides no guidance on how these goals are to be used, to say nothing of not including any analysis supporting their application to the Site. A stay until a determination is made as to the requirements in the Directive would solve this problem and save Petitioner from significant and substantial monetary harm. (Muzzio Decl. at 10.)

Additionally, the public will be harmed without a stay because the limited resources of the Regional Board will be consumed in considering potentially unnecessary remedial work and reviewing documents that will likely have to be amended and re-reviewed once adequate information becomes available. (Muzzio Decl. at 11.)

C. The Public Will Not Be Substantially Harmed If a Stay Is Granted

The secondary sources of petroleum hydrocarbons have already been removed to the extent practicable. There is no significant threat to the environment or to public health from the site. (Muzzio Decl. at 12.)

D. The Petition Raises Substantial Questions of Law and Fact

As discussed in more detail in the Petition, there are significant questions being posed in this case as to whether the interim cleanup goals set by the Regional Board are improper and necessary and the schedule for submission of documents. There are significant issues of fact and law that are sufficient to warrant the granting of a stay. (Muzzio Decl. at 13.)

IX. STATEMENT OF POINTS AND AUTHORITIES IN SUPPORT OF LEGAL ISSUES RAISED IN THE PETITION

For purposes of this filing, the Statement of Points and Authorities is subsumed in section V of the Petition. Petitioner reserves the right to supplement its Statement of Points and Authorities, and file additional points and authorities at a future date upon receipt and review of the administrative record and as additional information and evidence is developed.

X. STATEMENT REGARDING SERVICE OF THE PETITION ON THE REGIONAL BOARD

A copy of this Petition is being sent to the Regional Board, to the attention of Samuel Unger, Executive Officer. Copies are also being sent to the interested parties identified on the attached proof of service. By copy of this Petition, Petitioner is also notifying the Regional Board and identified parties of the Petitioner's request for a hearing and that the State Board issue a stay.

XI. STATEMENT REGARDING ISSUES PRESENTED TO THE REGIONAL BOARD

The substantive issues and objections raised in this Petition were raised before the Regional Board.

For all of the foregoing reasons, Petitioner respectfully requests that the State

Board review the requirements set forth in the Directive and grant the relief as set forth above.

Dated: September 20, 2012

ROGERS JOSEPH O'DONNELL

By: _____

ROBERT C. GOODMAN
Attorneys for Petitioner
Chevron Environmental Management Company

ROGERS JOSEPH O'DONNELL
ROBERT C. GOODMAN (State Bar No. 111554)
D. KEVIN SHIPP (State Bar No. 245947)
311 California Street
San Francisco, California 94104
Telephone: 415.956.2828
Facsimile: 415.956.6457

Attorneys for Petitioner
CHEVRON ENVIRONMENTAL
MANAGEMENT COMPANY

STATE WATER RESOURCES CONTROL BOARD

STATE OF CALIFORNIA

In the Matter of the Los Angeles Regional Water Quality Control Board's August 21, 2012 Directive Issued to CHEVRON ENVIRONMENTAL MANAGEMENT COMPANY and Requiring Certain Action Related to the Catalina Cruise Terminal, Port of Los Angeles, Berths 95/96 (Former Chevron Marine Terminal) 1510 Swinford Street, San Pedro, California (SCP No. 1150, Site ID No. 2040150).	PETITION NO. **CHEVRON ENVIRONMENTAL MANAGEMENT COMPANY'S PETITION FOR REVIEW, REQUEST FOR A HEARING, AND REQUEST FOR STAY**

DECLARATION OF JOSEPH J. MUZZIO

I, Joseph J. Muzzio, declare and state as follows:

1. I am a professional geologist, PG No. 5249, and certified engineering geologist, CEG No. 1672, licensed to practice in the State of California. I am employed by SAIC Energy, Environment & Infrastructure, LLC ("SAIC"). SAIC has acted as Chevron Environmental Management Company's ("Chevron EMC or Petitioner") outside contractor with regard to the remedial activities at the Catalina Cruise Terminal, Port of Los Angeles, Berths 95/96 (adjacent to the former Chevron Marine Terminal), 1510 Swinford Street, San Pedro, California, SCP No. 1150, Site ID No. 2040150 ("the Site") which is the subject of

Chevron EMC's Petition for Review, Request for a Hearing, and Request for a Stay (the "Petition"). I have worked on this project since December 2008. Except as otherwise stated, I have personal knowledge of the matters stated herein and could testify to these facts if called upon to testify as a witness in this action.

2. Attached as Exhibit A hereto is a true and correct copy of the directive issued by the Regional Water Quality Control Board, Los Angeles Region ("Regional Board") on August 21, 2012, ("Directive") requiring certain actions related to the Site.

3. Attached as Exhibit B hereto is a true and correct copy of the Regional Board's December 1, 2011, letter approving IRAP ("IRAP Approval Letter").

4. Attached as Exhibit C hereto is a true and correct copy of the Regional Board's May 8, 2012, Letter responding to comments of SAIC ("Regional Board's Clarification Letter").

5. The Port of Los Angeles (the "Port") began its scheduled Site development work on or around July 1, 2012, to prepare the property for expansion of the China Shipping freight terminal.

6. Setting the date for submission of a groundwater monitoring installation work plan to a date shortly after the expected completion of construction on the Site is reasonable as it gives Chevron EMC and others an opportunity to assess actual conditions on the ground before the work plan is finalized.

7. It would not be cost-effective or result in a time savings if a work plan must be submitted before the full conditions on ground are known, only to have to reformulate the work plan after construction at the Site has been completed.

8. Attached as Exhibit D hereto is a true and correct copy of SAIC's February 7,

2012, letter submitted to the Regional Board on behalf of Chevron EMC, responding the IRAP Approval Letter.

9. Selecting remedial measures before Chevron could collect sufficient groundwater data, as proposed by the Regional Board in the Directive, would require speculating as to future trends and taking a substantial risk that the available data is not representative.

10. The Directive requires a groundwater monitoring work plan and Final RAP to be submitted before sufficient data will be available to prepare those documents, requires Petitioner to "use" cleanup goals, until actual cleanup standards are developed in the Final RAP. In particular, the Directive requires that groundwater monitoring work plan be submitted on December 15, 2012, before redevelopment of the Site will be completed, and a Final RAP to the Regional Board on June 30, 2013, before necessary groundwater data will be available. Petitioner will suffer substantial harm if it is required to adhere to the arbitrary schedule for preparation of a groundwater monitoring plan because it will not be able to safely and accurately develop this plan without an understanding of final Site conditions after redevelopment is completed, including an understanding of traffic flow and how to safely locate groundwater monitoring wells. Similarly, Petitioner will suffer substantial harm if it is required to adhere to the arbitrary deadline for submission of a Final RAP because it will be unable accurately develop final cleanup standards and evaluate remedial alternatives without adequate groundwater data. And Petitioner will suffer substantial harm if the requirement that it "use" specified cleanup goals until a Final RAP is developed because it faces substantial penalties for not complying with this requirement, although the Directive provides no guidance on how these goals are to be used, to say nothing on not requiring any analysis supporting their application to the Site. A stay until a determination is made as to the requirements in the Directive would solve this problem

and save Petitioner from significant and substantial monetary harm.

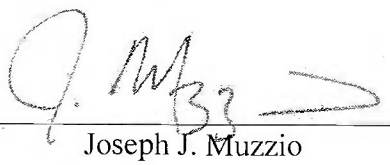
11. The public will be harmed without a stay because the limited resources of the Regional Board will be consumed in considering potentially unnecessary remedial work and reviewing documents that will likely have to be amended and re-reviewed once adequate information becomes available.

12. The secondary sources of petroleum hydrocarbons have already been removed to the extent practicable. There is no significant threat to the environment or to public health from the site.

13. There are significant questions being posed in this case as to whether the interim cleanup goals set by the Regional Board are improper and necessary and the schedule for submission of documents. There are significant issues of fact and law that are sufficient to warrant the granting of a stay.

I declare under penalty of perjury under the laws of the State of California that the forgoing is true and correct.

Dated this 20th day of September, 2012 in Campbell, California.



Joseph J. Muzzio

EXHIBIT A

CALIFORNIA
Water Boards

EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

Los Angeles Regional Water Quality Control Board

August 21, 2012

Mr. Christopher Cannon
Environmental Management Division
Port of Los Angeles
425 South Palos Verdes Street
San Pedro, CA 90733

Certified Mail
Return Receipt Requested
Claim No. 7009 2820 0001 6537 5173

Mr. Daniel Carrier
Chevron Environmental Management Company
6001 Bollinger Canyon Road
San Ramon, CA 94583

Certified Mail
Return Receipt Requested
Claim No. 7009 2820 0001 6537 5197

SUBJECT: REVIEW OF CONCEPTUAL REMEDIAL ACTION PLAN

SITE: CATALINA CRUISE TERMINAL BERTHS 95/96 (FORMER CHEVRON MARINE TERMINAL) 1510 SWINFORD STREET, SAN PEDRO, CALIFORNIA 90045 (SCP NO. 1150, SITE ID NO. 2040150)

Dear Messrs. Carrier and Cannon:

The California Regional Water Quality Control Board (Regional Board), Los Angeles Region, is the State regulatory agency with primary responsibility for the protection of groundwater and surface water quality for all beneficial uses within major portions of Los Angeles and Ventura Counties, including the referenced site. To accomplish this, the Regional Board issues investigative orders authorized by the Porter Cologne Water Quality Control Act (California Water Code [CWC], Division 7).

The Regional Board has completed its review of the Conceptual Remedial Action Plan (conceptual RAP) dated June 29, 2012 prepared by Science Applications International Corporation (SAIC) on behalf of Chevron Environmental Management Company (Chevron) and the Port of Los Angeles (Port) for the China Shipping Phase III Expansion Project (Project site). In a letter dated December 1, 2011, the Regional Board required a final remedial action plan (final RAP) by June 30, 2012. However, in response to a time extension requested by Chevron, the Regional Board required a conceptual RAP by June 30, 2012.

In June 2012, SAIC completed the implementation of an interim remedial action plan (IRAP) consisting of the excavation of petroleum hydrocarbons impacted soil. The soil excavation report is due to the Regional Board by November 15, 2012. The Project site is now being handed over to the Port's subcontractors for redevelopment into an extension of the adjacent China Shipping Terminal. It is expected that construction will be completed by the end of 2013.

The conceptual RAP evaluated three remedial alternatives to mitigate residual concentrations of petroleum hydrocarbons at the site. Monitored Natural Attenuation (MNA) is selected for the site and enhanced in-situ biodegradation (EISB) is retained as an alternative. According to the

conceptual RAP, site-specific cleanup numbers will be developed and included in the final remedial action plan (final RAP), which will be developed after two years of groundwater monitoring. The groundwater monitoring will begin after the site redevelopment is completed. Therefore, the final RAP will be submitted to the Regional Board in 2016.

In order to establish a basis for post-redevelopment cleanup and monitoring, final cleanup levels for the Project site are required. According to the results of the deep groundwater investigation conducted by the Port in January 2012, petroleum hydrocarbon concentrations in groundwater to a depth of 50 feet below ground surface exceeds 3000 micrograms per liter. The final cleanup levels must be available when groundwater monitoring wells are installed at the conclusion of site development. At that time, a comparison between the concentrations of chemicals in groundwater with the final cleanup levels will be needed to determine the type of remedial action is required at the site. The recently implemented soil excavation utilized an interim remedial soil cleanup goal and chemically impacted soil remains at the Project site. The final cleanup goals will enable the identification of areas with soil exceeding the final cleanup goals at the Project site. Furthermore, redevelopment has already started and fill material is required to raise the current grade to 4 to 5-feet. Final cleanup goals are needed at this time to confirm the suitability of the fill material.

The primary criteria to consider when determining cleanup levels are the applicable water quality standards and the beneficial uses of the underlying groundwater and surface water. In addition, the Regional Board considers the physical location of the wastes and the current/future land use of the property. The Project site is also adjacent to the Los Angeles Harbor. According to the 1994 Water Quality Control Plan, Los Angeles Region (Basin Plan) the Project site is located in an area where underlying groundwater had been de-designated from domestic and municipal supply (MUN) beneficial use and therefore, water quality objectives for the protection of MUN are not applicable. However, since the Project site is located adjacent to the Harbor, surface water quality criteria contained in the California Toxics Rule (CTR) are applicable. The current and future use of the Project site is commercial/industrial. The groundwater occurs at a depth of less than 10 feet.

The cleanup goals must be consistent with State Water Resources Control Board Resolution 92-49 ("Policies and Procedures for Investigation and Cleanup and Abatement of Discharges Under Water Code Section 13304"). Resolution No. 92-49 requires cleanup to background or the level that will achieve the best water quality which is reasonable if background levels cannot be achieved and sets forth criteria to consider where cleanup to background may not be reasonable. Any cleanup level must comply with the applicable water quality control plans and other applicable water quality requirements.

There is no data to determine whether cleanup to background is feasible, however, staff suggests that a tiered approach can be utilized to evaluate cleanup goals to comply with Resolution 92-49. A Tier 1 lookup table provides concentrations of various chemicals that can be compared with the concentration of those chemicals present at the site to determine if the wastes pose a threat to the environment and take into account that the groundwater is not designated for MUN. Tier 2 and Tier 3 numbers are site specific, require more time to develop and require use of site-specific information.

Based on the Project site conditions and the project needs, there are two sets of cleanup levels currently available that are appropriate for use as final cleanup goals at the Project site. The first set of numbers are soil and groundwater cleanup goals approved by the Regional Board at a nearby site, Former GATX Los Angeles Marine Terminal Berths 171 through 173 (Berths 171-

173). The conditions such as site use, groundwater conditions, etc., of Berths 171-173 are similar to the Project site. The second set of numbers consist of the Tier 1 environmental screening levels (ESLs) developed by the California Regional Water Quality Control Board San Francisco Bay Region (Region 2) in the document Screening for Environmental Concerns at Sites with Contaminated Soil and Groundwater, San Francisco Bay Regional Board, Interim – November 2007, Revised May 2008 (ESLs Document). The use of appropriate cleanup goals that are available will provide much needed certainty and also save valuable resources and time.

In the December 2011 letter, Regional Board staff suggested the use of Region 2 ESLs as final cleanup goals for the site. The Region 2 ESLs provide Tier 1 concentrations for more than 100 chemicals including total petroleum hydrocarbons for the protection of soil and groundwater quality. The ESLs address environmental concerns that include direct exposure, leaching potential, aquatic receptors and gross pollution. Table B of the ESLs Document contains soil and groundwater cleanup goals that can be readily applied at the Project site.

Regional Board staff disagree that the final RAP be delayed until 2016. The information needed to develop the final RAP is available at this time. If the Berths 171-173 cleanup goals or ESLs are used as the final cleanup goals, the final RAP can be developed before the installation of the groundwater monitoring wells at the Project site. As an alternative, site-specific cleanup goals can also be developed in time to submit a final RAP to the Regional Board within one year.

Based on the review of the information provided, you are subject to the following requirements:

1. It is important to know the concentrations of petroleum hydrocarbons in groundwater, when the site access becomes available at the conclusion of site redevelopment in 2013 to determine the appropriate remedial action. A groundwater monitoring well installation work plan currently due by December 15, 2013 will delay the implementation of remedial action. All the information necessary to develop a groundwater monitoring well installation and sampling work plan is available at this time and having an approved work plan will avoid delay in conducting appropriate remedial action when site access becomes available. Therefore, you are required to submit the groundwater monitoring well installation work plan by **December 15, 2012** to the Regional Board.

2. The site-specific cleanup levels are yet to be developed. Therefore, use the cleanup goals that were approved for the Berths 171-173 (copy attached) or Table B of the ESLs Document (copy attached), whichever is lower in value as soil and groundwater cleanup goals for the Project site until the final RAP is submitted and approved by the Regional Board.

3. The final RAP must be submitted to the Regional Board by **July 30, 2013**.

The due date of December 15, 2012 is an amendment to item number 21 of the existing CWC section 13267 Order dated December 1, 2011. Pursuant to CWC section 13268, failure to submit the required technical report by the due date specified may result in the imposition of civil liability by the Regional Board without further warning, of up to one thousand dollars ($1,000) for each day the technical report is not received after the due date.

If you have any questions, please contact Mr. Adnan Siddiqui (project manager) at (213) 576-6812 (asiddiqui@waterboards.ca.gov) or Dr. Arthur Heath, Section Chief at (213) 576-6725 (aheath@waterboards.ca.gov).

Sincerely,

for Paula Rasmussen

Samuel Unger, PE
Executive Officer

Attachments: Berths 171-173 soil and groundwater cleanup goals
Table B, Environmental Screening Levels

Cc: Mr. Kenneth Mattfeld, PoLA (via e-mail)
Mr. Christopher Foley, PoLA (via e-mail)
Mr. Kenneth Ragland, PoLA (via e-mail)
Ms. Heloise Froelich, PoLA (via e-mail)
Mr. Todd Littleworth, Chevron (via e-mail)
Mr. Richard A. Vogl, SAIC (via e-mail)
Mr. Steve Terganyan, SAIC (via e-mail)
Mr. Joseph Muzzio, SAIC (via e-mail)
Ms. Heather Benfield, Tetra Tech (via e-mail)
Mr. Richard Solomon, Conoco Phillips (via e-mail)
Mr. Travis Taylor, AECOM (via e-mail)
Mr. Timothy Hutson, US Navy (via e-mail)

Former GATX Los Angeles Marine Terminal Berths 171 through 173

Soil Cleanup Goals

Concentration in mg/Kg

Contaminant of Concern	Cleanup Goals[17]	Contaminant of Concern	Cleanup Goals[17]	Contaminant of Concern	Cleanup Goals
Acenaphthene	210	Isopropyl benzene	390	Molybdenum	4.4
Acenaphthylene	20	p-Isopropyl toluene	1,200	Nickel	222
Acetone	0.047	2-Methylnaphthalene	41	Selenium	0.23
Anthracene	27,000	Methylene chloride	0.35	Silver	3.75
Benzene	0.055	Methyl tert-butyl ether	0.0073	Thallium	0.95
Benzo(a)anthracene	0.22	Naphthalene	8.2	Zinc	680
Benzo(a)pyrene	0.55	Phenanthrene	110		
Benzo(b)fluoranthene	0.66	n-Propylbenzene	70		
Benzo(g,h,i)perylene	10,000	Pyrene	5,000		
Benzo(k)fluoranthene	0.66	Tetrachloroethene	0.017		
tert-Butyl Alcohol	0.0056	Toluene	56		
sec-Butyl benzene	110	Trichloroethene	0.16		
tert-Butyl benzene	87	1,2,4-Trimethylbenzene	12		
TPHg (C5-C9)	180	1,3,5-Trimethylbenzene	12		
TPHd (C10-C25)	180	Xylenes	7.2		
TPHmo (C25-C36)	2,500	o-Xylenes	320		
Carbon disulfide	11	Aroclor 1254	0.00037		
Chrysene	0.22	Arsenic	8.7		
Dibenzo(a,h)anthracene	2.1	Cadmium	1.4		
Ethylbenzene	3.9	Copper	69		
Fluoranthene	440	Lead	52		
Fluorene	2,000	Organo Lead	0.000014		
Indeno(1,2,3-cd)pyrene	13	Mercury	0.69		

mg/kg = milligram per kilogram

Former GATX Los Angeles Marine Terminal Berths 171 through 173

Groundwater Cleanup Goals

Concentration in µg/l

Contaminant of Concern	Cleanup Goals[5]	Contaminant of Concern	Cleanup Goals[5]	Contaminant of Concern	Cleanup Goals[5]
Acenaphthene	2,700	cis-1,2-Dichloroethene	5,300	1,2,3-Trichloropropane	39
Acenaphthylene	370	1,2-Dichloropropane	39	1,2,4-Trimethylbenzene	790
Acetone	700	Diisopropylether (DIPE)	0.8	1,3,5-Trimethylbenzene	830
tert-Amyl Methyl Ether	42,000	Ethanol	410,000	Vinyl Chloride	6
Anthracene	82,000	Ethylbenzene	940	Xylenes	1,750
Benzene	71	Fluoranthene	370	o-Xylene	77,000
Benzo(a)anthracene	0.049	Fluorene	13,000	Aroclor 1254	0.00017
Benzo(a)pyrene	0.049	2-Hexanone	1,400,000	Arsenic	36
Benzo(b)fluoranthene	0.049	Indeno(1,2,3-cd)pyrene	0.049	Cadmium	9.3
Benzo(g,h,i)perylene	370	Isopropyl benzene	22,000	Copper	3.1
Benzo(k)fluoranthene	0.049	p-Isopropyl toluene	28,000	Lead	8.1
Bromodichloromethane	46	2-Methylnaphthalene	1,300	Organo Lead	--
2-butanone	700	Methylene Chloride	1,600	Mercury	0.051
tert-Butyl Alcohol	12	Methyl tert-butyl ether	5	Molebdenum	--
n-Butyl benzene	9,000	Naphthalene	370	Nickel	8.2
sec-Butyl benzene	9,700	Phenanthrene	370	Selenium	71
tert-Butyl benzene	10,000	n-Propylbenzene	11,000	Silver	1.9
TPH	100	Pyrene	6,800	Thallium	6.3
		1,1,2,2-Tetrachloroethane	11	Zinc	81
Carbon disulfide	12,000	Tetrachloroethene	8.85		
Chlorobenzene	21,000	Toluene	26,000		
Chloroform	640	1,2,3-Trichlorobenzene	1,300		
Chrysene	0.049	1,2,4-Trichlorobenzene	1,600		
Dibenzo(a,h)anthracene	0.049	1,1,2-Trichloroethane	42		
1,2-Dichlorobenzene	17,000	Trichloroethene	81		
1,4-Dichlorobenzene	730	1,1,2-Trichloro-1,2,2-trifluroethane	39,000		
1,1-Dichloroethane	1,900				

µg/l = microgram per liter

Table B. Environmental Screening Levels (ESLs)
Shallow Soils (≤3 m bgs)
Groundwater is not a Current or Potential Source of Drinking Water

Chemical	[1]Shallow Soil		[3]Groundwater (ug/L)
	[2]Residential Land Use (mg/kg)	Commercial/ Industrial Land Use Only (mg/kg)	
Acenaphthene	1.9E+01	1.9E+01	2.3E+01
Acenaphthylene	1.3E+01	1.3E+01	3.0E+01
Acetone	5.0E-01	5.0E-01	1.5E+03
Aldrin	3.2E-02	1.3E-01	1.3E-01
Anthracene	2.8E+00	2.8E+00	7.3E-01
Antimony	6.3E+00	4.0E+01	3.0E+01
Arsenic	3.9E-01	1.6E+00	3.6E+01
Barium	7.5E+02	1.5E+03	1.0E+03
Benzene	1.2E-01	2.7E-01	4.6E+01
Benzo(a)anthracene	3.8E-01	1.3E+00	2.7E-02
Benzo(b)fluoranthene	3.8E-01	1.3E+00	2.9E-02
Benzo(k)fluoranthene	3.8E-01	1.3E+00	4.0E-01
Benzo(g,h,i)perylene	2.7E+01	2.7E+01	1.0E-01
Benzo(a)pyrene	3.8E-02	1.3E-01	1.4E-02
Beryllium	4.0E+00	8.0E+00	5.3E-01
1,1-Biphenyl	6.5E+00	6.5E+00	5.0E+00
Bis(2-chloroethyl) ether	1.5E-01	1.6E-01	1.2E+01
Bis(2-chloroisopropyl) ether	3.4E-02	7.7E-02	1.2E+01
Bis(2-ethylhexyl) phthalate	3.5E+01	1.2E+02	3.2E+01
Boron	1.6E+00	2.0E+00	1.6E+00
Bromodichloromethane	5.7E-01	1.3E+00	1.7E+02
Bromoform (Tribromomethane)	2.4E+01	2.4E+01	1.1E+03
Bromomethane	7.0E-01	2.3E+00	1.6E+02
Cadmium	1.7E+00	7.4E+00	2.5E-01
Carbon tetrachloride	2.0E-02	4.4E-02	9.3E+00
Chlordane	4.4E-01	1.7E+00	4.0E-03
p-Chloroaniline	5.3E-02	5.3E-02	5.0E+00
Chlorobenzene	1.5E+00	1.5E+00	2.5E+01
Chloroethane	8.5E-01	8.5E-01	1.2E+01
Chloroform	6.8E-01	1.5E+00	3.3E+02
Chloromethane	6.4E+00	6.4E+00	4.1E+01
2-Chlorophenol	1.2E-01	1.2E-01	1.8E+00
Chromium (total)			1.8E+02
Chromium III	7.5E+02	7.5E+02	1.8E+02
Chromium VI	8.0E+00	8.0E+00	1.1E+01
Chrysene	2.3E+01	2.3E+01	3.5E-01
Cobalt	4.0E+01	8.0E+01	3.0E+00
Copper	2.3E+02	2.3E+02	3.1E+00
Cyanide	3.6E-03	3.6E-03	1.0E+00
Dibenz(a,h)anthracene	6.2E-02	2.1E-01	2.5E-01
Dibromochloromethane	7.6E+00	1.4E+01	1.7E+02
1,2-dibromo-3-chloropropane	4.5E-03	4.5E-03	2.0E-01
1,2-Dibromoethane	1.9E-02	4.4E-02	1.5E+02
1,2-Dichlorobenzene	1.6E+00	1.6E+00	1.4E+01

Table B. Environmental Screening Levels (ESLs)
Shallow Soils (≤3 m bgs)
Groundwater is not a Current or Potential Source of Drinking Water

Chemical	[1]Shallow Soil		[3]Groundwater (ug/L)
	[2]Residential Land Use (mg/kg)	Commercial/ Industrial Land Use Only (mg/kg)	
1,3-Dichlorobenzene	7.4E+00	7.4E+00	6.5E+01
1,4-Dichlorobenzene	1.2E+00	1.8E+00	1.5E+01
3,3-Dichlorobenzidine	5.3E-01	2.4E+00	2.5E+02
Dichlorodiphenyldichloroethane (DDD)	2.4E+00	1.0E+01	1.0E-03
Dichlorodiphenyldichloroethene (DDE)	1.7E+00	4.0E+00	1.0E-03
Dichlorodiphenyltrichloroethane (DDT)	1.7E+00	4.0E+00	1.0E-03
1,1-Dichloroethane	1.9E+00	1.9E+00	4.7E+01
1,2-Dichloroethane	2.2E-01	4.8E-01	2.0E+02
1,1-Dichloroethene	4.3E+00	4.3E+00	2.5E+01
cis -1,2-Dichloroethene	6.5E+00	1.8E+01	5.9E+02
trans -1,2-Dichloroethene	1.0E+01	3.4E+01	5.9E+02
2,4-Dichlorophenol	3.0E+00	3.0E+00	3.0E+00
1,2-Dichloropropane	4.6E-01	1.0E+00	1.0E+02
1,3-Dichloropropene	1.7E-01	3.6E-01	2.4E+01
Dieldrin	2.3E-03	2.3E-03	1.9E-03
Diethyl phthalate	3.5E-02	3.5E-02	1.5E+00
Dimethyl phthalate	3.5E-02	3.5E-02	1.5E+00
2,4-Dimethylphenol	7.4E-01	7.4E-01	1.1E+02
2,4-Dinitrophenol	4.2E-02	4.2E-02	1.5E+01
2,4-Dinitrotoluene	8.6E-01	8.6E-01	1.2E+02
1,4-Dioxane	2.4E+01	3.0E+01	5.0E+04
Dioxin (2,3,7,8-TCDD)	4.5E-06	1.8E-05	1.0E-06
Endosulfan	4.6E-03	4.6E-03	8.7E-03
Endrin	6.5E-04	6.5E-04	2.3E-03
Ethylbenzene	2.3E+00	4.7E+00	4.3E+01
Fluoranthene	4.0E+01	4.0E+01	8.0E+00
Fluorene	8.9E+00	8.9E+00	3.9E+00
Heptachlor	1.3E-02	1.3E-02	3.6E-03
Heptachlor epoxide	1.4E-02	1.4E-02	3.6E-03
Hexachlorobenzene	3.4E-01	1.3E+00	3.7E+00
Hexachlorobutadiene	3.1E+00	4.6E+00	9.3E-01
γ-Hexachlorocyclohexane (Lindane)	9.8E-03	9.8E-03	1.6E-02
Hexachloroethane	1.2E+01	4.1E+01	1.2E+01
Indeno(1,2,3-c,d)pyrene	6.2E-01	2.1E+00	4.8E-02
Lead	2.0E+02	7.5E+02	2.5E+00
Mercury (elemental)	1.3E+00	1.0E+01	2.5E-02
Methoxychlor	1.9E+01	1.9E+01	3.0E-03
Methylene chloride	7.2E+00	1.7E+01	2.2E+03
Methyl ethyl ketone	1.3E+01	1.3E+01	1.4E+04
Methyl isobutyl ketone	3.9E+00	3.9E+00	1.7E+02
Methyl mercury	1.2E+00	1.2E+01	3.0E-03
2-Methylnaphthalene	2.5E-01	2.5E-01	2.1E+00
tert -Butyl methyl ether	8.4E+00	8.4E+00	1.8E+03
Molybdenum	4.0E+01	4.0E+01	2.4E+02

Table B. Environmental Screening Levels (ESLs)
Shallow Soils (≤3 m bgs)
Groundwater is not a Current or Potential Source of Drinking Water

Chemical	[1]Shallow Soil		[3]Groundwater (ug/L)
	[2]Residential Land Use (mg/kg)	Commercial/ Industrial Land Use Only (mg/kg)	
Naphthalene	1.3E+00	2.8E+00	2.4E+01
Nickel	1.5E+02	1.5E+02	8.2E+00
Pentachlorophenol	3.0E+00	5.0E+00	7.9E+00
Perchlorate	1.1E+01	1.4E+02	6.0E+02
Phenanthrene	1.1E+01	1.1E+01	4.6E+00
Phenol	3.9E+00	3.9E+00	2.6E+02
Polychlorinated biphenyls (PCBs)	2.2E-01	7.4E-01	1.4E-02
Pyrene	8.5E+01	8.5E+01	2.0E+00
Selenium	1.0E+01	1.0E+01	5.0E+00
Silver	2.0E+01	4.0E+01	1.9E-01
Styrene	1.5E+01	1.5E+01	1.0E+02
tert-Butyl alcohol	1.0E+02	1.1E+02	1.8E+04
1,1,1,2-Tetrachloroethane	2.0E+00	4.5E+00	9.3E+02
1,1,2,2-Tetrachloroethane	2.7E-01	6.0E-01	1.9E+02
Tetrachloroethene	3.7E-01	9.5E-01	1.2E+02
Thallium	1.3E+00	1.6E+01	4.0E+00
Toluene	9.3E+00	9.3E+00	1.3E+02
Toxaphene	4.2E-04	4.2E-04	2.0E-04
TPH (gasolines)	1.0E+02	1.8E+02	2.1E+02
TPH (middle distillates)	1.0E+02	1.8E+02	2.1E+02
TPH (residual fuels)	3.7E+02	2.5E+03	2.1E+02
1,2,4-Trichlorobenzene	7.6E+00	7.6E+00	2.5E+01
1,1,1-Trichloroethane	7.8E+00	7.8E+00	6.2E+01
1,1,2-Trichloroethane	5.0E-01	1.1E+00	3.5E+02
Trichloroethene	1.9E+00	4.1E+00	3.6E+02
2,4,5-Trichlorophenol	1.8E-01	1.8E-01	1.1E+01
2,4,6-Trichlorophenol	1.6E+00	1.0E+01	9.7E+01
Vanadium	1.6E+01	2.0E+02	1.9E+01
Vinyl chloride	2.2E-02	4.7E-02	3.8E+00
Xylenes	1.1E+01	1.1E+01	1.0E+02
Zinc	6.0E+02	6.0E+02	8.1E+01

Notes:
1. Shallow soils defined as soils less than or equal to 3 meters (approximately 10 feet) below ground surface.
2. Category "Residential Land Use" generally considered adequate for other sensitive uses.
3. Assumes potential discharge of groundwater into a freshwater, marine or estuary surface water system.

Soil ESLs intended to address direct-exposure, groundwater protection, ecologic (urban areas) and nuisance concerns under noted land-use scenarios. **Soil gas data should be collected for additional evaluation of potential indoor-air impacts at sites with areas of VOC-contaminated soil.**

Groundwater ESLs intended to be address drinking water, surface water, indoor-air and nuisance concerns. **Use in conjunction with soil gas screening levels to more closely evaluate potential impacts to indoor-air if groundwater screening levels for this concern approached or exceeded.**

Aquatic habitat goals for bioaccumulation concerns not considered in selection of groundwater goals.

TPH -Total Petroleum Hydrocarbons. TPH ESLs must be used in conjunction with ESLs for related chemicals (e.g., BTEX, PAHs, oxidizers, etc.).

EXHIBIT B

California Regional Water Quality Control Board

Los Angeles Region

Matthew Rodriquez.
Secretary for Environmental Affairs

320 W. 4th Street, Suite 200, Los Angeles, California 90013
Phone (213) 576-6600 FAX (213) 576-6640 - Internet Address: http://www.waterboards.ca.gov/losangeles

Edmund G. Brown Jr.
Governor

December 1, 2011

Mr. Daniel Carrier
Chevron Environmental Management Company
6001 Bollinger Canyon Road
San Ramon, CA 94583

Mr. Christopher Cannon
Environmental Management Division
Port of Los Angeles
425 South Palos Verdes Street
San Pedro, CA 90733

SUBJECT: **APPROVAL OF ASSESSMENT WORK PLAN AND INTERIM REMEDIAL ACTION PLAN PURSUANT TO CALIFORNIA WATER CODE SECTION 13267**

SITE **CATALINA CRUISE TERMINAL BERTHS 95/96 (FORMER CHEVRON MARINE TERMINAL) 1510 SWINFORD STREET, SAN PEDRO, CALIFORNIA 90045 (SCP NO. 1150, SITE ID NO. 2040150)**

Dear Messrs. Carrier and Cannon:

The California Regional Water Quality Control Board (Regional Board), Los Angeles Region, is the State regulatory agency with primary responsibility for the protection of groundwater and surface water quality for all beneficial uses within major portions of Los Angeles and Ventura Counties, including the referenced site. To accomplish this, the Regional Board issues investigative orders authorized by the Porter Cologne Water Quality Control Act (California Water Code [CWC], Division 7).

The Regional Board has completed its review of the Interim Remedial Action Plan (IRAP) dated October 12, 2011 prepared by Science Applications International Corporation (SAIC) on behalf of Chevron Environmental Management Company (Chevron). The Regional Board staff also received and reviewed the Revised Workplan for Deep Groundwater Zone Sampling and Assessment of the Phase III Area (Parcel 7) dated October 25, 2011 (work plan) prepared by Tetra Tech, Incorporated (Tetra Tech) on behalf of the property owner, the Port of Los Angeles (PoLA). The IRAP proposes excavation of soil within the Catalina Cruise Terminal (CCT), which is impacted with total petroleum hydrocarbons (TPH) discharged from the former Chevron Marine Terminal (CMT). The Tetra Tech work plan contains a soil and groundwater sampling program to fill in data gaps that were not addressed by SAIC during its assessment.

The former CMT was redeveloped into the China Shipping Terminal in the 1990s. The PoLA has plans to begin construction in April 2012 to further expand the China Shipping Terminal into the CCT. The China Shipping Terminal expansion area primarily includes the CCT and consists of two triangular shaped areas that are bounded by the Vincent Thomas Bridge to the south, by the CMT to the west and north. The waters of the Los Angeles harbor are located to the east. The approval of the proposed work by the

Regional Board and its implementation by Chevron and PoLA will enable the China Shipping Terminal Expansion Phase III redevelopment project to proceed on schedule.

There are three active United States (US) Navy fuel pipelines located in a 12-foot wide easement that run along the northern portion of the site. In 2003, TPH and light non-aqueous phase liquid (LNAPL) was discovered in an area close to the Navy pipelines on the site. It was determined that the source of those waste discharges is the former CMT. Therefore, SAIC conducted several rounds of assessment to determine the extent of wastes discharged at the site. SAIC concluded that the majority of the wastes in soil is limited in extent. Other constituents of concern such as polycyclic aromatic hydrocarbons (PAHs) and volatile organic compounds (VOCs) are also detected at the site, but TPH, especially gasoline range and diesel range hydrocarbons are the primary waste constituents present at the site. The tidally influenced shallow groundwater is also impacted with dissolved phase TPH and related compounds. In addition, LNAPL is consistently present in one groundwater monitoring well at the site.

Based on the data from the site assessment, most of the TPH discharged at the site is primarily limited between the depths of 5 and 10 feet below ground surface (bgs) and occurs within the northern ¾th portion of the eastern triangle of the site. This TPH impacted soil is acting as a continuous source for LNAPL and dissolved phase wastes in groundwater. The IRAP correctly identifies that the excavation of TPH impacted soil will remove the source of LNAPL and groundwater pollution at the site. A soil cleanup plan focused on the removal of TPH would also remove other wastes such as VOCs and PAHs. The IRAP proposes excavation of the soil exceeding TPH concentration of 1000 milligrams per kilogram (mg/Kg), where accessible. In addition, multi-depth discrete groundwater sampling is proposed at three locations under the work plan to confirm that dissolved groundwater plume does not extend below 20-foot depth at the site. Therefore, a 1000 mg/Kg is acceptable as an interim remedial goal and approved for this specific project.

As discussed at several meetings with PoLA representatives, PoLA, as the property owner, shall ultimately comply with final cleanup goals to address site-wide conditions and concerns such as the LNAPL and migration of TPH potentially across the site. It is staff's view, based upon staff's analysis, that a final TPH cleanup goal of 180 mg/Kg (based upon soil\groundwater guidance from the San Francisco Regional Board) would address the ground and surface water concerns associated with LNAPL and also be consistent with the State Water Resources Control Board Resolution 92-49 ("Policies and Procedures for Investigation and Cleanup and Abatement of Discharges Under Water Code Section 13304"). The Regional Board staff will continue its discussions with PoLA representatives and require a final remedial plan by **June 30, 2012** to address additional removal of site-wide TPH and other waste constituents. In addition, the final remedial plan shall include, at a minimum, a groundwater monitoring plan, LNAPL removal if warranted, and an overall approach that attains soil and groundwater cleanup goals to protect beneficial uses at the site. PoLA is encouraged to work with Chevron so that appropriate monitoring and cleanup infrastructure can effectively be incorporated into the planned development.

Based on the review of the information provided and the requirement that PoLA shall submit a final remedial plan by **June 30, 2012**, you are authorized to implement the work plan and IRAP with the following modifications and additions:

1. In addition to the proposed 13 soil sampling locations proposed in the work plan, install at least four (4) soil borings in the eastern triangle of the site in an area bounded by Vincent Thomas Bridge to the south, Catalina Express Terminal Building to the east, CMI pipeline to the west and borings PR-49 and B-4 to the north.

2. Collect soil samples from 1, 5 and 10-foot depths at each location.

3. Analyze soil samples from 1 and 5- foot depths for polychlorinated biphenyls (PCBs) using EPA method 8082.

4. Analyze all soil samples for PAHs using EPA Method 8310.

5. Analyze all samples from 10-foot depths for all constituents of concern (TPH, VOCs, Metals, and PAHs) except PCBs.

6. Analyze samples for TPH for volatile fuel hydrocarbons using EPA Method 8015 M with C6-C12 distinction (purgeable) and for extractable fuel hydrocarbons using California DHS Method 8015B with C9-C25, C24-C40 distinction (extractable).

7. Move groundwater sampling location from close to boring DP-26 to near boring DP-24.

8. At each groundwater sampling location, collect at least 2 and preferably 3 groundwater samples at discrete intervals between the approximate depths of 20 feet and 50 feet bgs, depending on the field conditions.

9. A report containing the results and recommendations is due to the Regional Board by **March 1, 2012**.

10. There is an abandoned 12-inch CMI pipeline that carried oil located within the site. This is a potential source of contamination. You must either remove it or properly abandon it in place. PoLA shall provide a plan for the CMI pipeline removal and/or in-place abandonment to the Regional Board by **January 9, 2012**.

11. There are also two abandoned oil pipelines belonging to Chevron and Unocal that are located within the Phase III redevelopment area along the Reagan Street and Front Street. Environmental concerns related to these potential source areas must be addressed. Provide a pipeline assessment plan for the Unocal and Chevron oil pipelines along Reagan Street and Front Street to the Regional Board by **January 9, 2012**.

12. There are assessment data gaps that exist along Keel Street in southwest-northeast direction between boring B-2 and PR-25. It is Regional Board staff understanding that due to active utilities under the Keel Street, SAIC is prevented from installing soil borings.

13. During the IRAP implementation, include the removal of TPH impacted soil exceeding 1000 mg/Kg in the hot spot area centered at TtCCT-15.

14. During the remedial excavation collect one soil confirmation sample per 2,500 square feet area from the excavation bottom. If the area of the excavation bottom is less 2,500 square feet, collect at least one soil confirmation sample.

15. Based on the results of the site assessment. the top 4 feet of soil is relatively clean and will be stockpiled at the site for reuse. You must collect one confirmation soil sample per 50 cubic yards of the soil stockpile and analyze for TPH and PAHs.

16. There are active pipelines. utility lines and other structures that are located within the soil excavation areas where excavation of the TPH impacted soil is not practical. Upon completion of the remedial excavation. you must provide a map clearly identifying the boundaries of these areas and an estimate of the volume of the impacted soil left in place. In the future, an alternate cleanup plan will be required to address residual wastes that continue to impact the soil and water quality. The presence of an inactive utility line or other obstruction within the excavation areas that can be removed to perform remediation are not considered legitimate impediments to remedial excavation. As an example, the TPH impacted soil from below and around the abandoned 12-inch CMI product pipeline should be removed.

17. Based on the redevelopment plan. the current grade of the site will be raised approximately 4 to 5 feet. Any imported fill must not contain wastes exceeding the final soil cleanup goals approved for the site.

18. The site is currently paved and used as parking lot. There is one building that occupies the site. After the implementation of the soil remediation. the site structures will be demolished and site grading will occur as part of the site redevelopment. Prepare a soil management plan to address any waste discharges that may be encountered during demolition. grading and redevelopment activities at the site. The soil management plan is due to the Regional Board by **March 1, 2012**.

19. Upon completion of the remedial excavation submit a report to the Regional Board by **August 15, 2012**.

20. The existing groundwater monitoring wells will be destroyed for remedial excavation and to accommodate site redevelopment. Destroy all the wells in accordance with the Department of Water Resources California Well Standards Bulletin, 74-90 dated January 1990. Submit a well destruction report to the Regional Board by **March 1, 2012**.

21. The IRAP proposes installation of wells and post-remediation groundwater monitoring. According to the current redevelopment schedule. the construction is expected to be completed by November 2013. Submit a groundwater monitoring installation and groundwater sampling work plan to the Regional Board by **December 15, 2013**.

22. It is expected that implementation of remedial excavation will also remove the LNAPL and reduce the concentration of TPH dissolved in groundwater. Therefore. in the IRAP. SAIC proposes semi-annual groundwater monitoring and monitored natural attenuation (MNA) of the residual wastes in groundwater. The groundwater conditions are usually monitored for at least four consecutive quarters before deciding whether only MNA is appropriate for the site.

23. There is a potential for volatile petroleum hydrocarbons to exist in the soil vapor and the IRAP also considers the inhalation of petroleum hydrocarbon vapors by the site users as a completed pathway. The site grade is planned to be raised by 4 to 5 feet for redevelopment. To confirm the soil vapor condition at the site, you are required to conduct a soil vapor survey at the site after its

redevelopment and prior to the commencement of the site operations. Submit a soil vapor sampling work plan to the Regional Board by **December 15, 2013.**

24. All work must be conducted according to a Site-specific health and safety plan (HASP) in compliance with California Occupational Safety and Health Agency (Cal-OSHA), Health and Safety Code, Title 8, California Code of Regulations (CCR), Section 5192 and other appropriate sections.

25. Prior to starting field work; obtain all applicable permits from appropriate regulatory agencies as necessary.

26. Please notify the Regional Board at least seven (7) days before the commencement of fieldwork.

27. The intended future use of the site is industrial/commercial and a Covenant and Environmental Restriction on the site needs to be executed to restrict future use of the site only to commercial and/or industrial uses.

The requirement to submit the technical report stated above is an amendment to the existing CWC section 13267 Order issued by the Regional Board on December 15, 2008. Pursuant to CWC section 13268, failure to submit the required technical report by the due date specified may result in civil liability penalties administratively imposed by the Regional Board in an amount up to one thousand dollars ($1,000) for each day the technical report is not received

Please note that effective immediately, the Regional Board requires you to include a perjury statement in all reports submitted under the CWC 13267 Order. The perjury statement shall be signed by a senior authorized by Chevron Environmental Management Company/ Port of Los Angeles representative (and not by a consultant). The statement shall be in the following format:

> "I, [NAME], do hereby declare, under penalty of perjury under the laws of State of California, that I am [JOB TITLE] for Chevron Environmental Management Company/ Port of Los Angeles that I am authorized to attest to the veracity of the information contained in [NAME AND DATE OF REPORT] is true and correct, and that this declaration was executed at [PLACE], [STATE], on [DATE]. I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

Messrs. Carrier and Cannon
Chevron Environmental Management Company & Port of Los Angeles
SCP No. 1150

December 1, 2011

If you have any questions, please contact Mr. Adnan Siddiqui (project manager) at (213) 576-6812 (asiddiqui@waterboards.ca.gov).

Sincerely,

Samuel Unger

Samuel Unger, PE
Executive Officer

Cc: Mr. Kenneth Mattfeld, PoLA (via e-mail)
Mr. Christopher Foley, PoLA (via e-mail)
Mr. Kenneth Ragland, PoLA (via e-mail)
Ms. Heloise Froelich, PoLA (via e-mail)
Mr. Todd Littleworth, Chevron (via e-mail)
Mr. Steve Terganyan, SAIC (via e-mail)
Mr. Joseph Muzzio, SAIC (via e-mail)
Ms. Heather Benfield, Tetra Tech (via e-mail)
Mr. Richard Solomon, Conoco Phillips (via e-mail)
Mr. Gil Fry, TRC Soulutions (via e-mail)
Mr. Timothy Hutson, US Navy (via e-mail)

EXHIBIT C

CALIFORNIA
Water Boards

EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIQUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

Los Angeles Regional Water Quality Control Board

May 8, 2012

Mr. Daniel Carrier
Chevron Environmental Management Company
6001 Bollinger Canyon Road
San Ramon, CA 94583

Certified Mail
Return Receipt Requested
Claim No. 7010 3090 0002 1021 9971

Mr. Christopher Cannon
Environmental Management Division
Port of Los Angeles
425 South Palos Verdes Street
San Pedro, CA 90733

Certified Mail
Return Receipt Requested
Claim No. 7002 0860 0006 4859 1732

SUBJECT: SAIC FEBRUARY 7, 2012 RESPONSE TO CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD DECEMBER 1, 2011 ORDER PURSUANT TO CALIFORNIA WATER CODE SECTION 13267

SITE: CATALINA CRUISE TERMINAL BERTHS 95/96 (FORMER CHEVRON MARINE TERMINAL) 1510 SWINFORD STREET, SAN PEDRO, CALIFORNIA 90045 (SCP NO. 1150, SITE ID NO. 2040150)

Dear Messrs. Carrier and Cannon:

The California Regional Water Quality Control Board (Regional Board), Los Angeles Region, is the State regulatory agency with primary responsibility for the protection of groundwater and surface water quality for all beneficial uses within major portions of Los Angeles and Ventura Counties, including the referenced site. To accomplish this, the Regional Board issues investigative orders authorized by the Porter Cologne Water Quality Control Act (California Water Code [CWC], Division 7).

The Regional Board issued a CWC 13267 Order (December 2011 Order) on December 1, 2011 to the Port of Los Angeles (PoLA) and Chevron Environmental Management Company (Chevron). Science Applications International Corporation (SAIC) submitted a response letter dated February 7, 2012 (copy attached) on behalf of the PoLA and Chevron. SAIC requested clarification regarding some items and requirements of the Order.

Regional Board staff is providing the following response to the SAIC letter, dated February 7, 2012 (letter), which was received in the Geotracker database on April 13, 2012:

SAIC's comment:
Response and Clarification to LARWQCB General Comments (Page 2)

1. **Page 2, Paragraph 3.** The LARWQCB directed the Port to submit a final remedial action plan (RAP) by June 30, 2012.....If the LARWQCB agrees, CMEC and the Port will

submit a proposed plan of action and alternative submittal date for the final RAP at a later date.

Regional Board Response:
SAIC is currently implementing the interim remedial action plan (IRAP), which was approved in the Order. The IRAP only addresses the excavation of impacted soil, where accessible. However, it is also likely that additional remedial action may be required to address the residual concentration of chemicals in soil and groundwater after the implementation of the IRAP. Therefore, the Order also requires that a final remedial plan be submitted to the Regional Board by June 30, 2012. SAIC believes that residual concentrations of chemicals in soil and groundwater will not be known until after the remedial excavation is complete and groundwater monitoring is conducted at the site. The groundwater monitoring wells can not be installed at the site until after site is redeveloped. The Regional Board understands that site access will be limited during redevelopment; therefore, in the Regional Board Order, the due date to submit a work plan to re-install groundwater monitoring wells to monitor post excavation water quality is December 15, 2013, which is consistent with the site redevelopment schedule. The Regional Board also understands that SAIC is requesting additional time to develop a final remedial plan because, in the absence of post soil excavation water quality data, it will be difficult to develop a final remedial plan that can adequately address the residual concentration of chemicals exceeding the final cleanup levels approved in the Order.

The results of soil and groundwater investigations previously conducted at the site, including the recent deep groundwater investigation conducted by the PoLA in January 2012, demonstrate that petroleum hydrocarbons and related compounds are present in groundwater to at least the total depth of investigation of 50 feet below ground surface (bgs). There is enough information available regarding the types of chemicals and their expected residual concentrations in soil and ground water to develop a conceptual approach to address the residual levels of chemicals in soil and groundwater. As an example, the conceptual approach could be a discussion of the potential remedial approaches, such as in-situ technologies that can be applied at the site even after it becomes operational as a terminal. Therefore, at a minimum, you must submit to the Regional Board a conceptual remedial action plan by the due date of **June 30, 2012** as required in the December 2011 Order.

A detailed final remedial action plan containing the selected technology(ies) and a full scale design plan can be prepared after the completion of the remedial soil excavation and full assessment of groundwater quality. Regional Board staff will continue to discuss the number and locations of the groundwater monitoring wells with PoLA and Chevron representatives. If additional time is needed to complete a detailed final remedial plan, you may request a time extension and propose an alternative submittal due date as suggested in your letter.

Chevron and PoLA must work together to ensure that site redevelopment plan allows for additional assessment, remediation and monitoring of residual chemicals in soil and ground water at the site.

SAIC's comment:

2. **Page 2, Paragraph 3.** The LARWQCB states that a final cleanup goal of 180 mg/Kg would address groundwater and surface water concerns.....CMEC and Port reserve the right to address final cleanup goals in a final RAP.

Regional Board Response:
When considering cleanup levels, parameters such as site use, threat to receptors, depth to groundwater and the beneficial uses must be taken into account. The future use of the site is commercial/industrial, and it lies in an area of the West Coast Basin where use of shallow groundwater (less than 10 feet) for municipal purpose has been de-designated. After considering these factors, the Tier 1 environmental screening levels (ESLs) developed by the California Regional Water Quality Control Board San Francisco Bay Region (Region 2) in the document *Screening for Environmental Concerns at Sites with Contaminated Soil and Groundwater, San Francisco Bay Regional Board, Interim* – November 2007, Revised May 2008 are appropriate for use at this specific site and were approved as final cleanup levels in the Order.

You may also propose cleanup levels other than Tier 1 ESLs but must consider beneficial uses, protection of human health, groundwater resources, surface water and ecological receptors.

SAIC's comments:
Response to LARWQCB Specific Comments (Page 2 through 5)

1. **LARWQCB Comment #11.** The LARWQCB requests a pipeline assessment plan for the Unocal and Chevron pipelines..... As a clarification Unocal pipelines are owned by Conoco Phillips and Conoco Phillips is responsible for pipeline removal... CMEC will work cooperatively with Conoco Phillips to address environmental impacts associated with Unocal and former Chevron pipelines that may be identified during pipeline removal activities.

Regional Board Response:
The Regional Board concurs that Conoco Phillips is responsible for the Unocal pipelines and has already directed Conoco Phillips to conduct an assessment and abandonment of its pipelines in the redevelopment area. Regional Board staff is currently reviewing a work plan dated March 14, 2012 developed by AECOM on behalf of Conoco Phillips to address the Unocal pipelines.

SAIC's comments:
2. **LARWQCB Comment #23:** The LARWQCB states that the IRAP identifies inhalation of vapors by site users as a completed pathway and thereby requests soil vapor sampling following completion of remedial excavation.....CMEC and Port request that LARWQCB rescind this requirement.

Regional Board Response:
To confirm that vapor intrusion is not an issue, at a minimum, you are required to conduct a soil vapor survey within the footprint and a 100-foot radius of any proposed building at the site. This soil vapor survey must be completed prior to the construction of the building. Therefore, submit the soil vapor sampling work plan to the Regional Board by the due date of **December 15, 2013** as required in Item No. 23 of the December 2011 Order.

If you have any questions, please contact Mr. Adnan Siddiqui (project manager) at (213) 576-6812 (asiddiqui@waterboards.ca.gov) or Dr. Arthur Heath, Section Chief at (213) 576-6725 (aheath@waterboards.ca.gov).

Sincerely,

for Paul Rosmussen

Samuel Unger, PE
Executive Officer

Attachment: SAIC letter dated February 7, 2012

Cc: Mr. Kenneth Mattfeld, PoLA (via e-mail)
Mr. Christopher Foley, PoLA (via e-mail)
Mr. Kenneth Ragland, PoLA (via e-mail)
Ms. Heloise Froelich, PoLA (via e-mail)
Mr. Todd Littleworth, Chevron (via e-mail)
Mr. Richard A. Vogl, SAIC (via e-mail)
Mr. Steve Terganyan, SAIC (via e-mail)
Mr. Joseph Muzzio, SAIC (via e-mail)
Ms. Heather Benfield, Tetra Tech (via e-mail)
Mr. Richard Solomon, Conoco Phillips (via e-mail)
Mr. Travis Taylor, AECOM (via e-mail)
Mr. Timothy Hutson, US Navy (via e-mail)

EXHIBIT D

SAIC

February 7, 2012

Adnan Siddiqui
Los Angeles Regional Water Quality Control Board
320 W. Fourth Street, Suite 200
Los Angeles, California 90013

Subject: **Response to Regional Water Quality Control Board Letter Approval of Assessment Work Plan and Interim Remedial Action Plan Pursuant to California Water Code Section 13267 Dated December 1, 2011**
Catalina Cruise Terminal, Port of Los Angeles (POLA) Berth 96
(Former Chevron Marine Terminal Site No. 100-1034, POLA Berth 100)
1510 Swinford Street, San Pedro, California
SCP No. 1150, Site ID 2040150

Dear Mr. Siddiqui:

On behalf of Chevron Environmental Management Company (CEMC) and the Port of Los Angeles (Port), SAIC Energy, Environment & Infrastructure, LLC (hereafter, SAIC) submits this letter responding to certain elements of the December 1, 2011 Los Angeles Regional Water Quality Control Board (LARWQCB) letter approving the CEMC Interim Remedial Action Plan (IRAP), and the Port's Deep Groundwater and Assessment of Phase III Area Work Plan (Work Plan). SAIC, on behalf of CEMC and the Port, offers the following responses and clarifications to the comments presented in the LARWQCB letter.

Response and Clarification to LARWQCB General Comments (page 2)

1. **Page 2, Paragraph 3.** The LARWQCB directed the Port to submit a final remedial action plan (RAP) by June 30, 2012. The RAP could be submitted by June 30, but the Port and CEMC would not have the benefit of considering post-excavation groundwater monitoring data. At this time, CEMC and Port are evaluating the practicability of implementing limited groundwater monitoring immediately following the site-wide excavation and during the Port's site construction. We therefore request that the LARWQCB agree to provide CEMC and the Port flexibility in selecting a submittal date for the final RAP so that the feasibility of implementing a post excavation sampling plan can be further explored and developed. If the LARWQCB agrees, CEMC and the Port will submit a proposed plan of action and alternative submittal date for the final RAP at a later date.

2. **Page 2, Paragraph 3.** The LARWQCB states that "it is staff's view, based upon staff's analysis, that a final cleanup goal of 180 mg/Kg (based upon soil/groundwater guidance from the San Francisco RWQCB) would address the groundwater and surface water concerns associated with LNAPL and also be consistent with the State Water Resources Control Board Resolution 92-49". CEMC and the Port reserve the right to address final cleanup goals in a final RAP.

Response to LARWQCB Specific Comments (pages 2 through 5)

1. **LARWQCB Comment #11.** The LARWQCB requests a pipeline assessment plan for the Unocal and Chevron pipelines along Regan Street and Front Street. As clarification, the Unocal (or Union Oil) pipeline is owned by Conoco Phillips. Conoco Phillips is responsible for pipeline removal and CEMC understands that Conoco Phillips plans to remove the pipeline prior to the Port development activities along the pipeline corridor. CEMC will work cooperatively with Conoco Phillips to address any additional environmental impacts associated with the Unocal and former Chevron pipelines that may be identified during pipeline removal activities.

2. **LARWQCB Comment #23.** The LARWQCB states that the IRAP identifies inhalation of petroleum hydrocarbon vapors by site users as a completed pathway, and thereby requests soil vapor sampling following completion of the remedial excavation and site development. The IRAP identified inhalation of petroleum hydrocarbon vapors as a completed pathway for current site uses (i.e., as the CCT parking lot). Any potential for petroleum hydrocarbon vapor inhalation will be significantly reduced following remedial excavation and site redevelopment (including the placement of 4 to 5 feet of additional clean fill material and an asphalt/concrete cap). Furthermore, review of existing development plans indicates that there are no buildings planned within the area of petroleum hydrocarbon impacts. Given the extent of the remedial excavation and the planned site development, future soil vapor sampling does not appear necessary. CEMC and the Port request that the LARWQCB rescind this requirement.

Finally, the LARWQCB has set specific compliance dates for the completion of tasks and submittal of technical reports by CEMC and the Port that are contingent on the implementation and completion of the Port's Phase III Development Project. If any component of the Port's Phase III Development Project is delayed which in turn affects a specific compliance date, we anticipate that the LARWQCB would allow an extension of the compliance date by an equivalent period of time.

If you have any questions, please contact Mr. Joseph Muzzio, SAIC Program Manager, at (408) 364-4713 or Mr. Dan Carrier, CEMC Project Manager, at (714) 671-3371.

Sincerely,
SCIENCE APPLICATIONS INTERNATIONAL CORPORATION

Steve Targanyan
Project Manager

Joseph Muzzio, P.G., C.E.G.
Program Manager and Senior Geologist

cc: Mr. Arthur Heath – Los Angeles Regional Water Quality Control Board
Dr. Kwang-il Lee –Los Angeles Regional Water Quality Control Board
Mr. Dan Carrier – Chevron Environmental Management Company
Mr. Todd Littleworth – Chevron Environmental Management Company
Ms. Heloise Froelich – Environmental Specialist,
Environmental Management Division, Port of Los Angeles
Mr. Christopher Cannon, Director of Environmental Management,
Environmental Management Division, Port of Los Angeles
Mr. Kenneth Ragland – Site Restoration Unit Supervisor,
Environmental Management Division, Port of Los Angeles
Mr. Jin Kim, Engineering Division, Port of Los Angeles
Mr. Kenneth Mattfeld – Office of City Attorney, Port of Los Angeles
Ms. Heather Benfield – Tetra Tech, Inc.
SAIC Project File

PROOF OF SERVICE

I, Clara Chun, state:

My business address is 311 California Street, 10th Floor, San Francisco, CA 94104. I am employed in the City and County of San Francisco at 311 California Street, 10th Floor, San Francisco, CA 94104. I am over the age of eighteen years and not a party to this action. On September 20, 2012, I served the following documents described as:

CHEVRON ENVIRONMENTAL MANAGEMENT COMPANY'S PETITION FOR REVIEW, REQUEST FOR A HEARING, AND REQUEST FOR STAY

on the following person(s) in this action by placing a true copy thereof enclosed in a sealed envelope, with the postage prepaid, addressed as follows:

Mr. Adnan Siddiqui
Los Angeles Regional Water Quality Control Board
320 W. Fourth Street, Suite 200
Los Angeles, CA 90013
asiddiqui@waterboards.ca.gov

Mr. Samuel Unger
Los Angeles Regional Water Quality Control Board
320 W. Fourth Street, Suite 200
Los Angeles, CA 90013
losangeles@waterboards.ca.gov

Mr. Arthur Heath
Los Angeles Regional Water Quality Control Board
320 W. Fourth Street, Suite 200
Los Angeles, CA 90013
aheath@waterboards.ca.gov

Joseph Muzzio
SAIC
1671 Dell Avenue, Suite 100
Campbell, CA 95008
muzzioj@saic.com

Ms. Heloise Froelich
Environmental Specialist,
Environmental Management Division
Port of Los Angeles
425 S Palos Verdes Street
San Pedro, CA 90731-3309
hfroelich@portla.org

Mr. Dan Carrier
Chevron Environmental Management Company
145 S State College Blvd. Suite 400
Brea, CA 92821-5833
DCarrier@chevron.com

Mr. Chris Foley
Environmental Affairs Officer
Environmental Management Division
Port of Los Angeles
425 S Palos Verdes Street
San Pedro, CA 90731-3309
CFoley@portla.org

Mr. Chris Cannon
Director of Environmental Management
Environmental Management Division
Port of Los Angeles
425 S Palos Verdes Street
San Pedro, CA 90731-3309
CCannon@portla.org

Mr. Kenneth Ragland
Site Restoration Unit Supervisor
Environmental Management Division
Port of Los Angeles
425 S Palos Verdes Street
San Pedro, CA 90731-3309
KRagland@portla.org

Mr. Kenneth Mattfeld
Office of City Attorney
Port of Los Angeles
425 S Palos Verdes Street
San Pedro, CA 90731-3309
KMattfeld@portla.org

Ms. Heather Benfield
Tetra Tech, Inc.
3475 E. Foothill Blvd.
Pasadena, CA 91107-6024
Heather.Benfield@tetratech.com

Mr. Timothy J. Hutson
DLA Energy Americas West
3171 North Gaffey Street
San Pedro, CA 90731
Timothy.j.hutson@dla.mil

Richard T. Solomon, PE
Remediation Program Manager
Remediation Management, HSE
Phillips 66 Company
3900 Kilroy Airport Way
Long Beach, CA 90806
rich.solomon@p66.com

X BY ELECTRONIC SERVICE: I caused the documents to be sent to the person(s) at the electronic notification address(es) listed above. Within a reasonable time, the transmission was reported as compete and without error.

X BY FIRST CLASS MAIL: I am readily familiar with my firm's practice for collection and processing of correspondence for mailing with the United States Postal Service, to-wit, that correspondence will be deposited with the United States Postal Service this same day in the ordinary course of business. I sealed said envelope and placed it for collection and mailing on September 20, 2012, following ordinary business practices.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed this date at San Francisco, California.

Dated: September 20, 2012

Clara Chun

Clara Chun