

City of
Richmond

CITY MANAGER'S OFFICE

November 21, 2008

Barbara Dugal, Chief
Land Management Division
State Lands Commission
100 Howe Avenue, Suite 100 South
Sacramento, CA 95825

Re: Lease Consideration for the Existing Chevron Richmond Long Wharf Marine Terminal

Dear Ms. Dugal:

The City of Richmond ("City") submits this letter for the consideration of the State Lands Commission ("Commission") in connection with the proposed lease renewal for the Chevron Richmond Long Wharf. The City is concerned about the impact of the lease renewal on public recreation opportunities and completion of the Bay Trail Project, and the impact of continued operation of the Long Wharf on air quality in the surrounding communities. To address these concerns, the City respectfully requests that the Commission consider adopting three conditions of approval for the renewal of Chevron's Long Wharf Lease, as described below. The City believes that, by incorporating these conditions into the Long Wharf lease renewal, the Commission will be managing these trust lands in a manner that provides a greater public benefit to residents of Richmond and the surrounding communities by increasing the connectivity of recreational trails in the Bay Area and reducing the air emissions from industrial operations at the Long Wharf.

First, to improve public recreation and access to the trust lands, the City asks the Commission to support the Bay Trail Project, a planned regional hiking and biking trail encircling San Francisco and San Pablo Bays, through its management of public trust lands. In particular, the City requests that the Commission condition approval of the Long Wharf lease renewal on Chevron's completion, within five years of the date of approval, the Bay Trail improvements from the Long Wharf to the Richmond-San Rafael Bridge Toll Plaza and from the Toll Plaza to Point Molate Beach in accordance with Association of Bay Area Governments Bay Trail Plan. These improvements are essential components of the larger Bay Trail, and will provide important recreational benefits to the region.

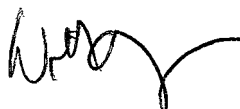
Second, to reduce air emissions from tanker vessels utilizing the Long Wharf, the City asks that, as a condition of approval of the lease renewal and within one year of that approval, Chevron be required to identify at least two tanker vessels eligible for electrical hook-ups. For vessels so identified, the City further requests that Chevron be required to provide on-ship electrical infrastructure and the corresponding on-shore electrical infrastructure to allow for cold

risk to nearby communities” and noted that shore-side power would “reduce emissions of diesel PM, NOx, and SOx from auxiliary engines by over 95 percent each during [dockside operation].”¹ By increasing cold ironing at the Long Wharf, the Commission will be reducing unhealthy air emissions associated with tanker operation at this location.

Third, to reduce the emissions of volatile organic compounds (“VOCs”) released when tankers at the Long Wharf are filled with liquid, Chevron should be required to operate and/or retrofit the marine vapor recovery system to operate at a minimum temperature of 1400 degrees Fahrenheit, such that the system can achieve a minimum 98% VOC destruction efficiency. To ensure that this occurs expeditiously, the City asks the Commission to require Chevron to submit a plan for the marine vapor recovery system to the Bay Area Air Quality Management District within one year after approval of the Long Wharf lease renewal, and to submit all permit applications necessary to achieve this plan within two years after approval of the lease renewal. Within five years of approval of the lease renewal, Chevron should be required to implement this plan and achieve a minimum 98% VOC destruction efficiency. To ensure that this emission rate is achieved, the Commission should require Chevron to conduct continuous monitoring and recording of the temperature of the recovery system at the following emission sources on the Long Wharf: S-9321 Marine Loading Berth #1, S-9322 Berth #2 Long Wharf 18 Risers, S-9323 Berth #3 Long Wharf 6 Arms, S-9324 Berth #4 Long Wharf 5 Arms, S-9325 Berth #9 Long Wharf 15 Risers, abated by A-0900 Marine Vapor Recovery system, and S-9326 Marine Loading Berth #11. The City also requests the Commission to restrict the resulting reductions in emissions (greenhouse gases, criteria pollutants, or hazardous air pollutants) from being banked or used to comply with other laws and regulations that require reductions (for example, AB 32). These conditions will help to reduce the air emissions resulting from Chevron’s Long Wharf operations.

The City believes that incorporating these conditions of approval into the Long Wharf lease renewal will offer substantial public benefits, and that they are appropriate for the Commission to require given its broad authority to manage the public trust lands for the benefit of the People of California. The City appreciates the Commission’s consideration of our concerns. Please do not hesitate to give me a call if you have any questions.

Sincerely,



Bill Lindsay
City Manager

cc: ✓ Mayor and City Councilmembers
Randy Riddle, City Attorney
Bruce Beyaert, TRAC Chair

¹ California Air Resources Board, Proposed Emission Reduction Plan for Ports and Goods Movement in California p. ES-3, 45 (approved April 20, 2006), available at http://www.arb.ca.gov/planning/gmerp/march21plan/march22_plan.pdf.