



California Regional Water Quality Control Board

San Francisco Bay Region



Linda S. Adams
Acting Secretary for
Environmental Protection

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<http://www.waterboards.ca.gov/sanfranciscobay>

Edmund G. Brown, Jr.
Governor

*Certified Mail No.
Return Receipt Requested*

July 1, 2011
Geotracker ID No. 01S0645 (LMM)

Union Oil Company of California
c/o Chevron Environmental Management Company
Superfund & Property Management Business Unit
Attn.: Mr. Michael Mailloux
6001 Bollinger Canyon Road, K-2052
San Ramon, CA 94583
Also sent via email to: MMailoux@chevron.com

Atlantic Richfield Company, c/o BP
Attn.: Mr. Jon B. Armstrong
Contracts Manager, Remediation Management
WL1, 28.160D
Westlake Park Boulevard
Houston, TX 77079
Also sent via email to: Jon.Armstrong@bp.com

**Subject: Administrative Civil Liability Complaint No. R2-2011-0043
for Failure to Timely Submit an Acceptable Remedial Action Plan, 401 and 411
High Street, Oakland, California, Alameda County**

Dear Sirs:

Enclosed is Administrative Civil Liability Complaint No. R2-2011-0043 (Complaint), which proposes to assess an administrative civil liability (ACL) against Union Oil Company and Atlantic Richfield Company (the Dischargers) in the amount of \$154,307. This proposed liability is based on allegations that the Dischargers failed to timely submit an acceptable draft Remedial Action Plan (DRAP) acceptable to the Executive Officer of the California Regional Water Quality Control Board, San Francisco Bay Region ("Regional Water Board") in violation of Provision C.3.j of Site Cleanup Requirements (SCR) Order No. 90-133, as amended by SCR Order No. R2-2006-0084.. The Dischargers submitted an acceptable DRAP more than two years late. The administrative civil liability is imposed under the authority of CWC Section 13350(e)(1).

The Dischargers can respond to the Complaint by appearing before the Regional Water Board at a public hearing to contest the matter or by signing a waiver to pursue other options.

1. The Complaint can be contested before the Regional Water Board at the following meeting:

Date/Time: September 14, 2011, commencing at 9:00 a.m.
Place: First Floor Auditorium, Elihu Harris State Building

Preserving, enhancing, and restoring the San Francisco Bay Area's waters for over 60 years

1515 Clay Street, Oakland

At this meeting, the Regional Water Board will consider whether to impose administrative civil liability (as proposed in the Complaint or for a different amount), decline the administrative civil liability, or refer the matter to the Attorney General for judicial enforcement at a public hearing.

Please refer to the enclosed Public Notice and Hearing Procedure for the Complaint and the ACL Fact Sheet for additional information about the Regional Water Board's process, hearing procedure, and important deadlines (for submitting comments or evidence, obtaining designated party status, waiving or postponing a hearing, making objections or rebuttals to evidence, etc.).

2. The public hearing that has been scheduled (above) can be waived to pursue one of the following options:
 - a. Pay the liability as proposed in the Complaint;
 - b. Request more time and postpone the date of the public hearing; or
 - c. Promptly engage in settlement discussions with the Regional Water Board Prosecution Team during which the Dischargers can raise settlement options, including supplemental environmental projects (SEPs) and enhanced compliance projects that meet the State Water Resources Control Board's requirements for such projects.

The enclosed Waiver describes these options in further detail. To pursue one of these options, **the Waiver must be signed, dated, and received by Sandia Potter of the Regional Water Board Advisory Team with a copy to the Prosecution Team contact listed below no later than 5:00 p.m. on August 1, 2011. It is at the discretion of the Regional Water Board Advisory Team to either accept or deny a waiver request.**

For more information about SEPs and the project selection and proposal approval process, or for assistance with selecting a candidate project for an SEP, please contact Athena Honore of the San Francisco Estuary Partnership (SFEP) at (510) 622-2325 or via email to ahonore@waterboards.ca.gov. To see examples of current and completed projects, visit SFEP's website: www.sfestuary.org/projects/detail.php?projectID=38.

If you wish to communicate directly with the Prosecution Team regarding the Complaint, please contact Laurent Meillier at (510) 622-3277 or via email to LMeillier@waterboards.ca.gov. Please refer to the letterhead for our mailing address and fax number.

Sincerely,

Dyan C. Whyte
Assistant Executive Officer

Enclosures: ACL Complaint No. R2-2011-0043
Waiver Form for ACL Complaint No. R2-2011-0043
Public Notice and Hearing Procedure for ACL Complaint No. R2-2011-0043
Administrative Civil Liability Fact Sheet

Cc (via certified mail):

Union Oil Company of California
Attn. The Prentice-Hall Corporation System, Inc.
Agent for Service of Process
2730 Gateway Oaks Dr., Suite 100
Sacramento, CA 95833

Atlantic Richfield Company
Attn. C T Corporation System
Agent for Service of Process
818 W. Seventh St.
Los Angeles, CA 90017

Cc (all copies via email):

Regional Water Board Lyris Enforcement email list
Regional Water Board Advisory Team
Regional Water Board Prosecution Team

Richard Koch 411 High Street Annuity
Trust and Nancy Koch 411 High Street
Annuity Trust
Attn: Richard Koch
1350 Bayshore Highway, Suite 600
Burlingame, CA 94010
dkoch@bbkcapitalcorp.com

Jon A. Rosso
Bureau Veritas North America, Inc.
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Jon.Rosso@us.bureauveritas.com

Brad Koch
Ridge Reef Properties, Inc.
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Jeff Hamerling
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Hollis Phillips
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100 Montgomery St., Suite 300
San Francisco, CA 94104
Hollis.Phillips@arcadis-us.com

Cc (cont., via email):

Nathan Block
BP HSSE Legal

Union Oil Company of California
Atlantic Richfield Company
ACL Complaint No. R2-2011-0043

Page 4 of 4

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Nathan.Block@bp.com

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Robert Horwath
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Alameda, CA 94502
Donna.Drogos@acgov.org

Leroy Griffin
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Fire Prevention Bureau,
Hazardous Materials Unit
250 Frank H. Ogawa Plaza #3341
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