

## Jakub, Barbara, Env. Health

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**From:** Kambin , Roya [EMC] [RKambin@chevron.com]  
**Sent:** Wednesday, July 06, 2011 1:12 PM  
**To:** Jakub, Barbara, Env. Health  
**Subject:** RE: Question about change from CP to Chevron  
**Attachments:** 20110106 Response to Deno Milano (San Mateo HS) Unocal LUFT Sites.pdf

Hi Barbara,

It's convoluted and a number of regulators have the same/similar question. I hope I don't make it more confusing. Officially, we (as Union Oil of California AKA Unocal) are Agents for Conoco Phillips. ConocoPhillips purchased Unocal stations circa 1995 – 1997 and entered into a very complex agreement concerning environmental liability in 1997. Chevron acquired Unocal in 2005 and our connection with ConocoPhillips is through that acquisition (including the terms and conditions of the 1997 agreement and subsequent amendments). Functionally, in day to day operations, I will be your primary contact as agent for ConocoPhillips although we do not ultimately retain the environmental liability. One of my responsibilities is to keep ConocoPhillips informed. Essentially, we are functioning as co-RPs with ConocoPhillips until 4/1/2022 when all the sites go back to ConocoPhillips.

For reference (and a legal explanation), I have attached our in-house counsel's response to Deno Milano (San Mateo County Health System). Deno's inquiry was a little different than yours – His question related to Chevron/Unocal's environmental liability for ALL ConocoPhillips sites formerly owned by Unocal.

Please let me know if you have any questions and I will do my best to answer them – or find someone who can provide a more coherent answer.

Thanks,  
Roya

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**From:** Jakub, Barbara, Env. Health [<mailto:barbara.jakub@acgov.org>]  
**Sent:** Wednesday, July 06, 2011 11:33 AM  
**To:** Kambin , Roya [EMC]  
**Subject:** Question about change from CP to Chevron

Roya,

I'm beginning to send out NORs for the sites that are transferring from CP to Chevron. I didn't think that Chevron purchased ConocoPhillips but did you purchase the liability or what? I'm unclear of the exact transaction that makes Chevron the RP instead of CP. Can you please explain so I can begin the Notices of Responsibility?

Thanks,

Barbara Jakub, P.G.  
Hazardous Materials Specialist  
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PDF copies of case files can be downloaded at:

<http://www.acgov.org/aceh/lop/ust.htm>



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January 6, 2011

**VIA U.S. MAIL & E-MAIL**

Deno G. Milano  
San Mateo County Health System  
2000 Alameda de las Pulgas  
Suite 100  
San Mateo, CA 94403

**SUBJECT: Unocal Leaking Underground Fuel Tank (LUFT) Stations Acquired by Tosco Corporation**

Dear Mr. Milano:

This responds to your correspondence of November 22, 2010 to Eric Fronhapple of Chevron Environmental Management Company. In your letter, you indicate that by virtue of Chevron Corporation's acquisition of Union Oil Company of California ("Unocal"), Chevron Corporation is the legally designated responsible party for former Unocal service stations (and that therefore San Mateo County Groundwater Protection Program staff will send all correspondence to Mr. Fronhapple, as Chevron's representative).

Although your letter does correctly identify that Chevron acquired Unocal (as an independent subsidiary) in 2005, the acquisition did not transfer Unocal's environmental liabilities to Chevron Corporation because Unocal remains an independent and active business concern. In fact, ConocoPhillips (which acquired the subject Unocal stations) remains responsible for addressing the environmental liabilities (including LUFT remediation) at these stations. Accordingly, ConocoPhillips should remain the county's designated responsible party for the LUFT cases and the ConocoPhillips representative that you have been dealing with to date should continue to be the county's primary contact with regard to remediation activities. In the event that Unocal should through the operation of an independent agreement with ConocoPhillips assume management of remediation activities at the subject service stations, it will provide you with notice in order that you have accurate contact information.

January 6, 2011

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As the transactional history related to the Unocal service stations sold to TOSCO Corporation and subsequently acquired by ConocoPhillips is complex and the technicalities of corporate form and successor liability govern why ConocoPhillips is the appropriate responsible party, please feel free to contact me at the number above if you have any questions or require any additional information.

Regards,

 for

Sergio Borgiotti

cc: State GeoTracker Databasc  
Brett Hunter (via e-mail)  
Eric Frohnapple (via e-mail)  
Shelby Lathrop, ConocoPhillips, Risk Mgmt. & Rem. Grp., 76 Broadway, Sacramento, CA 94818  
Diane Barclay, Stantec (via Diane.Barclay@stantec.com)  
Douglas Umland, Delta Environmental (via DUmland@deltaenv.com)