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A non-profit organization providing Vessel Traffic Service (VTS) and Maritime Information for Southern California

July 17, 2008

Dr. Ralph G. Appy
Port of Los Angeles
Environmental Management Division
425 South Palos Verdes Street
San Pedro, CA 90731

Dear Dr. Appy:

As Executive Director at the Marine Exchange of Southern California -- serving our subscribers and constituents throughout the Los Angeles/Long Beach Harbor area, and within the local waterfront business community -- I am writing to express our strong support for the development of a deep-draft marine terminal on Pier 400 for receiving crude oil from very large crude carrier (VLCC) tanker vessels.

This facility is vitally needed to meet California's rising demand for oil and petroleum products -- and with the rising costs of fuel wreaking havoc on our local and national economy, it is time to provide a safe and reliable means to bring crude oil in to meet those needs, and to help keep oil prices down for the future. This new marine oil terminal is consistent with the California Energy Commission's (CEC) strategy to meet the needs of Southern California's expanding population -- as the region's consumers, businesses, and local government agencies shift to using alternative fuels and other modes of transportation that are not oil-dependent.

In reviewing the Draft SEIS/SEIR submitted by the Port of Los Angeles and the U.S. Army Corps of Engineers, it is abundantly clear that all environmental and security regulations and standards will be complied with -- and at the strictest levels ever imposed on any marine oil terminal located in California. This includes not only the pier and berth designs, but also the buildings ashore and the surrounding yard and infrastructures.

Crude oil deliveries to the new terminal would be restricted to double-hulled tankers to negate the potential for an oil spill. Currently, these VLCC tankers must transfer their oil cargoes to smaller tankers (while drifting offshore); and those smaller tankers make numerous trips to LA/LB Harbor to discharge the oil received from the VLCC's. The new marine oil terminal at Pier 400 would enable the VLCC's to directly off-load their oil cargoes more efficiently and reduce the total number of ships calls in that process --

and therefore reducing impacts on air quality, water quality, and vessel traffic congestion that the smaller tankers would generate as oil imports grow.

Moreover, the following requirements and restrictions would be enforced on all deep-draft VLCC tankers calling at the new Pier 400 marine oil terminal:

- All tankers must burn low sulfur fuel in their main and auxiliary engines when in California waters.
- All tankers must “cold iron” while berthed (shutting down all engines and using shore power).
- All procedures and regulations imposed by California’s Office of Spill Prevention and Response (OSPR), and/or the California State Lands Commission (Marine Facilities Division), will be strictly enforced both afloat and ashore during oil transfer operations.

Additionally, this project would create over 700 high-paying construction jobs -- as well as 55 permanent new jobs after the terminal has been completed. This influx of new jobs would greatly help to offset the depressed job market now evident throughout California and the nation – and particularly here in the Southern California region. And beyond the terminal itself, there would also be hundreds of jobs affected in a positive way throughout the LA/LB Harbor complex and the waterfront business community it serves.

The marine oil terminal proposed for Pier 400 in the Port of Los Angeles is a “win-win” situation for the consumer, the environment, the job market, and our economy. You have our full support and endorsement for this project.

Respectfully,

Marine Exchange of Southern California



Capt. Richard B. McKenna
Executive Director