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October 23, 2012

Ms. Erin Madden, Esq.
Chair, Portland Harbor Trustee Council
Cascadia Law P.C.
917 SW Oak, Ste. 300
Portland, OR 97205

Re: Natural Resources Damage Assessment, Portland Harbor Superfund Site – Stratus Consulting

Dear Ms. Madden,

Over the years, Chevron has demonstrated a strong commitment to working with Federal and State agencies, communities, and other stakeholders to find appropriate solutions to a broad array of environmental issues. Chevron has developed a strong record of addressing those issues in a proactive manner with sound technical positions.

In line with that commitment and record, and for the reasons set out below, Chevron cannot support the Trustees' continued use of Stratus Consulting (Boulder, Colorado) on the Natural Resource Damage (NRD) Assessment for the Portland Harbor Site in Portland, Oregon.

You may be aware that Chevron is involved in a long-standing legal matter in Ecuador and the U.S. involving fraudulent activity on the part of Stratus personnel and its subcontractors. In that matter, which involves false allegations of environmental harm, U.S. courts have found that Stratus secretly colluded with plaintiffs' lawyers to ghostwrite the report of an "independent" Ecuadorian court expert named Richard Cabrera, and then attempted to conceal that involvement. As the Southern District of New York held, "[plaintiffs'] counsel orchestrated a scheme in which Stratus ghost-wrote much or all of Cabrera's supposedly independent damages assessment without, as far as the record discloses, notifying the Ecuadorian court of its involvement. They submitted comments of Stratus, bolstering the Cabrera report, but without disclosing Stratus's prior participation." In an internal email, one of the Ecuadorian plaintiffs' own lawyers described Stratus as an active conspirator in the plaintiffs' fraud: "it appears not only that Cabrera and plaintiffs can be charged with a 'fraud' respecting the former's report, but that Stratus was an active conspirator." Fact Sheets describing salient aspects of the Ecuador case and Stratus' involvement are being provided separately, and additional background about the case can be found at Chevron.com/Ecuador.

Because of the extensive evidence of corrupt activity on the part of Stratus in furtherance of the claims in Ecuador, Chevron believes that it would be in the best interest of all the parties involved at the Portland Harbor Site for the Trustees to sever ties with Stratus to preserve the integrity of the NRD assessment effort going forward. Given Stratus' past actions, Chevron is extremely concerned that the NRD process

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is not being handled in good faith and with the appropriate level of technical professionalism and integrity. Therefore, we respectfully request that Stratus be removed as a contractor at the Site. Chevron intends to send a copy of this letter to other key parties at the Site and it will encourage these parties to take a similar position with respect to Stratus' association with the NRD assessment.

I look forward to hearing from you, and we would welcome the opportunity to discuss these concerns with you in person.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard DeSanti', with a long horizontal line extending to the right.

Richard DeSanti