

**CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY
BOND FINANCING PROGRAM**

Meeting Date: August 26, 2009

Request for Final Resolution and

Request for Tax-Exempt Bond Allocation Approval

Prepared by: *Doreen Smith*

Applicant: BP West Coast Products LLC	Amount Requested: \$51,000,000
Project: Carson	Allocation Number: 08-242-01
Location: (Los Angeles County)	Application No.: 00574
	Final Resolution No.: 00493
	Prior Actions: IR 94-11 Approved 10/21/94 IR 94-11 Amended 07/23/97, 05/28/08 and 07/22/09

Summary. BP West Coast Products LLC (the “Company”) requests approval of Final Resolution number 493 for an amount not to exceed \$51,000,000 to finance projects at the Company’s Carson refinery designed to meet the stringent clean fuels requirements while working to reduce the facility’s environmental impact in the surrounding communities.

The Company is the successor of most of the operating assets of Atlantic Richfield Company (ARCO). The Company provides crude oil refining and marketing operations. The project is located in Carson in Los Angeles County. The Company anticipates that the project will provide for the safe disposal of solid waste, provide other incidental pollution control and air quality benefits, and help meet California’s demand for cleaner burning fuels.

Borrower. The Company is a limited liability company that organized in Delaware on September 26, 2001. The Company is 100% owned by BP Products North America, Inc.

Legal Questionnaire. Staff has reviewed the Company’s responses to the questions contained in the legal status portion of the Application. The Company did disclose several matters in which it was a defendant, without admitting the truth or validity of any of the allegations. No information was disclosed that raises questions concerning the financial viability or legal integrity of this applicant.

TEFRA. The TEFRA hearing was held on August 20, 2009. There were no comments received in support of or in opposition to this Project.

SBAF Contribution. The Company is a large business and will contribute up to \$510,000 to the CPCFA Small Business Assistance Fund.

Prior Actions and Financings. Prior actions and financings are listed below.

Description	Date of Bond Issue	Original Amount	Amount Outstanding as of 08/01/09
BP West Coast Products 2008A (“2008A Bonds”)	12/03/2008	\$100,000,000	\$100,000,000
BP West Coast Products 2008 (Refunds 1996A Bonds)	03/26/2008	44,810,000	44,810,000
ARCO Series 1997A (Tax-Exempt)	03/12/1998	20,000,000	20,000,000
ARCO Series 1997 (Taxable)	12/23/1997	108,000,000	88,000,000
ARCO Series 1996A (Refunded by 2008 Bonds)	01/24/1996	44,810,000	0
ARCO Series 1994A	12/08/1994	45,000,000	45,000,000
ARCO Series 1985 (Refunded by 1996A Bonds)	11/14/1985	35,200,000	0
ARCO Series 1974 (Refunded by 1996A Bonds)	06/06/1974	13,460,000	0
TOTALS:		<u>\$311,280,000</u>	<u>\$197,810,000</u>

The Company also anticipates refunding the 2008A Bonds on September 1, 2009.

Project Description. The Company’s Clean Fuels Project (the “Project”) was designed to produce reformulated gasolines, which were previously mandated by the federal Clean Air Act and the California Clean Air Act. The Project helps the Company achieve two important goals: (1) compliance with federal and state regulations as they pertain to reformulated gasoline and (2) providing a significant contribution to improving air quality in the South Coast basin through the ultimate production of the company’s EC-X Emission Control gasolines. Reformulated gasolines help to reduce air emissions from existing gasoline-powered vehicles because the reformulated gasolines are less volatile, contain less aromatics, olefins, sulfur and benzene, and contain more oxygen that reduces carbon monoxide emissions. The Project also may come to include subsequent improvements and modifications as a result of additional environmentally conscious regulations; as such guidelines are implemented over time.

In general terms, the Project consists of equipment and facilities that were improved, installed and constructed for use as processing and recycling facilities (including, without limitation, facilities for use in the production of cleaner-burning fuels described above), industrial sewage or wastewater treatment facilities, and resource recovery facilities at the Company’s Los Angeles Refinery in Carson, CA. Such facilities include, but are not limited to, facilities for vacuum residual processing (e.g., coking, hydrocracking, gasification and fluid catalytic cracking) and vacuum residual byproduct processing (e.g., isomerization, reforming, hydrotreating, fluid catalytic cracking, alkylation, sour gas recovery, and fuel oil blending), spent catalyst processing, soil remediation, leachate collection, equipment cleaning, waste storage and dewatering, and other processing and recycling facilities. These facilities include process equipment, utilities or support systems, and related structures and buildings. The facilities also include modifications to any of the foregoing, and facilities that are functionally related and subordinate to, but not limited to, the foregoing.

A representative itemization of some of the facilities making up the Project includes, but is not limited to, the following:

- Benzene Saturation/Isomerization Complex
- Hydrogen Plant
- Fluid Catalytic Cracking Jet Cut Tower
- Alky Feed Depentanizer Tower

- Two Dehexanizer Towers
- Related Tanks, Piping, Utilities and Functionally Related Auxiliaries

In addition to the above, the Project includes a polypropylene plant at the Los Angeles Refinery in Carson, CA. Polypropylene is used to make a wide range of consumer products, including molded containers, twine, clothing, medical equipment and a variety of other products. Several units were necessary in connection with the polypropylene plant portion of the Project, including liquid recovery units to recover propane and polypropylene and remove other olefins and sulfur from refinery fuel gas; a propane/propylene splitter to produce polymer-grade propylene and a polypropylene unit to produce polypropylene pellets for shipment to the local and world markets.

Note: The Project costs reported in the Borrower's application and shown here in staff's report are estimated costs. At the time this financing closes, the estimated Project costs will be finalized and stated in the Tax Certificate. Variations from the costs shown in the application and in this report may occur prior to the closing due to increased costs of certain components of the Project from original estimates, and other reasons. In addition, such costs may vary after closing due also to increased costs, as well as common design and equipment modifications during construction, differences in equipment due to future changes in law or regulation or for other reasons. However, the Borrower confirms, through submission of a signed application and will confirm through covenants and representations in various bond documents, that all assets purchased with bond proceeds will qualify for tax exempt financing, that they will be used to complete the Project as described, and that the average life tests required by federal law and described in the Tax Certificate will continue to be met. Tax-exempt financing may be only one source out of multiple sources of financing for a given project.

Anticipated Timeline. The Projects to be financed with the financing requested by this application are expected to be placed in service by 2011.

Local Government. Jerome G. Groomes, City Manager for the City of Carson, has submitted a letter in support of the project (Attachment A).

Pollution Control and/or Environmental Benefits. The Company represents the Project will generate the pollution control and environmental benefits described below.

Pollution Control. The Project controls the following pollutants: sulfur, benzene, carbon monoxide and nitrogen oxides and waste water.

Air Quality. The Project is designed to produce reformulated gasolines. The reformulated gasolines help to reduce air emissions from existing gasoline-powered vehicles because the reformulated gasolines are less volatile, contain less aromatics, olefins, sulfur and benzene, and contain more oxygen that reduces carbon monoxide emissions.

Safe Disposal of Solid Waste (that is in compliance with all applicable state and federal environmental regulations regarding solid waste disposal). The Project includes a vacuum residual recycling facility, which allows for the processing, recycling and disposal of an otherwise unmarketable byproduct of crude oil refining. The Project is not anticipated to produce other incremental byproducts or residues not currently handled by standard refinery operations.

The environmental quality regulations or standards being met by the Project include, but are not limited to, the following:

- a. Federal Clean Air Act (regarding reformulated gasoline regulation)
- b. California Clean Air Act (regarding reformulated gasoline regulation)
- c. California Environmental Quality Act (CEQA)
- d. South Coast Air Quality Management District Rules 1109 and 431.1
- e. National Emission Standards for Hazardous Air Pollutants (NESHAPS)
- f. Federal EPA Clean Diesel Regulation

Permitting and Environmental Approvals. The Company has provided the Authority with copies of all required discretionary permits.

Financing Details. The bonds are secured by payments to be made by BP West Coast Products LLC under a Loan Agreement between BP West Coast Products LLC and the CPCFA. The bonds are also secured by a guarantee provided by BP p.l.c., a corporation organized under the laws of England and Wales that is also subject to the requirements of the Securities Exchange Act of 1934.

The Company anticipates a negotiated tax-exempt, non-AMT, variable rate bond issue that will be sold in a public offering. The target date of the financing is December 2009.

Financing Team.

Underwriter: Goldman, Sachs & Co.
Bond Counsel: Law Offices of Leslie M. Lava
Issuer's Counsel: Office of the Attorney General

Staff Recommendation. Staff recommends approval of Final Resolution No. 493 and Volume Cap Allocation Resolution No. 08-242-01 for an amount not to exceed \$51,000,000 for BP West Coast Products LLC.

**RESOLUTION OF THE
CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY
RELATING TO THE ISSUANCE OF BONDS TO
FINANCE SOLID WASTE DISPOSAL FACILITIES AND SEWAGE FACILITIES FOR
BP WEST COAST PRODUCTS LLC**

August 26, 2009

WHEREAS, the California Pollution Control Financing Authority (the “Authority”) has received the application of BP West Coast Products LLC (the “Borrower”) for financial assistance to finance the upgrade, installation, construction, improvement, replacement, equipping or other costs of certain solid waste disposal facilities and sewage facilities at the BP West Coast Products LLC Carson Refinery in Carson, Los Angeles County, California, all as more particularly described in the Term Sheet attached hereto as Exhibit A and incorporated herein (the “Term Sheet”) (collectively, the “Project”); and

WHEREAS, the Borrower has requested the Authority to issue its revenue bonds from time to time in an amount not to exceed \$51,000,000 to assist in the financing of the Project; and

WHEREAS, the proceeds of such revenue bonds will be loaned to the Borrower under a loan agreement with the Authority; and

WHEREAS, final approval of the terms of such revenue bonds and certain documents relating to such revenue bonds is now sought; and

WHEREAS, in order to enhance the marketability of the bonds, the Borrower has arranged for BP p.l.c. to provide its unconditional corporate guarantee, as reflected in the Term Sheet attached hereto as Exhibit A and incorporated herein (the “Term Sheet”), thereby guaranteeing repayment of the Bonds (as hereinafter defined);

NOW, THEREFORE, BE IT RESOLVED by the California Pollution Control Financing Authority, as follows:

Section 1. The Project constitutes a “project” and the Borrower is a “participating party” within the meaning of the California Pollution Control Financing Authority Act (the “Act”).

Section 2. Pursuant to the Act, revenue obligations of the Authority, designated as the “California Pollution Control Financing Authority Environmental Improvement Revenue Bonds (BP West Coast Products LLC Project) Series 2009A” (the “Bonds”), or such alternate designation as may be approved by the Executive Director of the Authority, in an aggregate principal amount of \$51,000,000, are hereby authorized to be issued. The Bonds may be issued at one time, or from time to time, in one or more series separately or differently identified, and

may be issued in a tax-exempt mode, all in accordance with the Indenture (as hereinafter defined) as finally executed. The proceeds of the Bonds shall be used to finance the Project and to pay costs of issuance of the Bonds.

Section 3. The Treasurer of the State of California (the “Treasurer”) is hereby authorized to sell the Bonds, at one time or from time to time on or before December 31, 2009, by negotiated sale, in a tax-exempt mode, at such price and at such interest rate or rates as he may determine, such determination to be as set forth in the hereinafter referred to Purchase Contract.

Section 4. The proposed form of loan agreement relating to the Bonds (the “Loan Agreement”), between the Authority and the Borrower, on file with the Authority prior to this meeting or as provided in Section 8, is hereby approved in substantially such form, with such insertions, deletions or changes therein (including, without limitation, insertions, deletions or changes therein appropriate to reflect the form of credit enhancement for the Bonds) as the signatory executing the same may require or approve, and with particular information inserted therein in substantial conformance with the Term Sheet, such approval to be conclusively evidenced by execution and delivery thereof. The Authority understands and agrees that pursuant to the terms of the Loan Agreement, the obligations of the Borrower may, under some circumstances, be carried out or assumed by a successor or assignee entity, or by an Affiliate of the Borrower. For purposes of this Resolution, an “Affiliate” of the Borrower means any person or entity which meets the definition of “Participating Party” in the Act and controls, is controlled by, or is under common control with, the Borrower, as shown by the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through majority equity ownership, contract or otherwise.

Section 5. The proposed form of indenture of trust relating to the Bonds (the “Indenture”), between the Authority and the trustee named in the Term Sheet (the “Trustee”), on file with the Authority prior to this meeting or as provided in Section 8, is hereby approved in substantially such form, with such insertions, deletions or changes therein (including, without limitation, insertions, deletions or changes therein appropriate to reflect the form of credit enhancement for the Bonds) as the signatory executing the same may require or approve, and with particular information inserted therein in substantial conformance with the Term Sheet, such approval to be conclusively evidenced by the execution and delivery thereof. The dates, maturity dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 6. The proposed form of bond purchase agreement (the “Purchase Contract”) among the underwriter or underwriters named in the Term Sheet (the “Underwriter”), the Treasurer and the Authority, as agreed to and accepted by the Borrower, on file with the Authority prior to this meeting or as provided in Section 8, is hereby approved in substantially such form, with such insertions, deletions or changes therein as the signatory executing the same, may require or approve, and with particular information inserted therein in substantial conformance with the Term Sheet, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The proposed form of the preliminary official statement relating to the Bonds (the “Preliminary Official Statement”) on file with the Authority prior to this meeting or as provided in Section 8, is hereby approved in substantially such form, with such changes and insertions therein as the Executive Director may require or approve. The Underwriters are hereby authorized to distribute the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds. The Authority hereby approves: (i) a certificate or certificates, in a form acceptable to the signatory thereof, to the effect that the portions of the Preliminary Official Statement under the caption “THE ISSUER” are deemed final as of its date for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934; and (ii) a final official statement for the Bonds authorized herein, in substantially the form of the Preliminary Official Statement, with such insertions and changes therein as the signatory executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriters are hereby directed to deliver a copy of said final official statement (as finally executed, the “Official Statement”) to all actual purchasers of the Bonds.

Section 8. The forms of the Loan Agreement, the Indenture, the Purchase Contract and the Preliminary Official Statement described in Sections 4, 5, 6 and 7 hereof, respectively, shall, if not on file with the Authority, be substantially similar to loan agreement, indenture, purchase contract and preliminary official statement approved by the Authority on July 22, 2009 in connection with the approval of the California Pollution Control Financing Authority Environmental Improvement Refunding Revenue Bonds (BP West Coast Products LLC Project) Series 2009, with particular information inserted therein in conformance with the Term Sheet.

Section 9. The Bonds shall be executed by the manual or facsimile signature of the Chairman or any Deputy to the Chairman and the seal of the Authority shall be affixed thereon (or a facsimile reproduced thereon) in the form set forth in and otherwise in accordance with the Indenture.

Section 10. The Bonds, when so executed, shall be delivered to the Trustee under the Indenture for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee’s certificate of authentication appearing thereon. The Trustee is hereby requested and directed to deliver the Bonds, when duly executed and authenticated, to The Depository Trust Company, New York, New York, on behalf of the Underwriter in accordance with written instructions executed on behalf of the Authority, which instructions are hereby approved. Such instructions shall provide for the delivery of the Bonds to The Depository Trust Company, on behalf of the Underwriter thereof, upon payment of the purchase price thereof.

Section 11. The Authority hereby dedicates and confirms its allocation to the Bonds issued in a tax-exempt mode (the “Tax-Exempt Bonds”) of a portion of its private activity bond limit, as previously received, carried forward or to be received from the California Debt Limit Allocation Committee, in an amount up to the applicable principal amount of Tax-Exempt Bonds issued and delivered to finance certain costs of the Project, so as to satisfy the

requirements of Section 146(e) of the Internal Revenue Code of 1986, with respect to the Tax-Exempt Bonds.

Section 12. As requested by the Borrower, the Authority hereby waives the requirement for an in-furtherance certificate relating to the Project pursuant to Section 44533(a) of the Act.

Section 13. Each officer of the Authority, acting alone, is hereby authorized and directed, acting alone, to do any and all ministerial acts that they may deem necessary or advisable in order to consummate the issuance, sale, delivery or remarketing of the Bonds, and otherwise to effectuate the purposes of this Resolution and the Indenture, the Loan Agreement, the Bond Purchase Contract and the Official Statement. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation, any certifications, including, a tax certificate.

Section 14. Except as set forth in Section 9, documents approved in this Resolution may be executed and delivered in accordance with the resolution of the Authority entitled “Resolution of the California Pollution Control Financing Authority Delegating Certain Powers Related to Bond Financings to the Executive Director and Deputy Executive Director” adopted on January 28, 2009, the provisions of which are incorporated herein by reference. The Chairman or any Deputy to the Chairman is also hereby authorized to execute and deliver any such document.

Section 15. This resolution shall take effect immediately upon its passage. The adoption by the Authority of this final resolution for the Borrower shall not be referred to in any application before any government agency as evidence of the feasibility, practicality or suitability of the Project or in any application for any required permission or authority to construct or operate the Project.

EXHIBIT A

TERM SHEET

Name of Issue:	California Pollution Control Financing Authority Environmental Improvement Revenue Bonds (BP West Coast Products LLC Project) Series 2009A (the “Bonds”)
Maximum Amount of Issue:	\$51,000,000 (tax-exempt)
Issuer:	California Pollution Control Financing Authority (the “Authority”) Sacramento, CA
Borrower:	BP West Coast Products LLC
Trustee:	The Bank of New York Mellon Trust Company, N.A.
Senior Underwriter or Placement Agent:	Goldman, Sachs & Co.
Bond Counsel:	Leslie M. Lava, Esq. Sausalito, CA
Remarketing Agent:	Goldman, Sachs & Co.
Project:	Financing of the upgrade, installation, construction, improvement, replacement, equipping or other costs related to sewage and solid waste disposal facilities, including without limitation, the polypropylene plant, along with all functionally related and subordinate facilities, which facilities are located at the BP West Coast Products LLC Carson Refinery, 1801 East Sepulveda Boulevard, Carson, California 90475
Maximum Bond Term:	Not to exceed December 1, 2049
Type of Sale:	Negotiated sale
Description of Minimum Denominations:	\$100,000 or any integral multiple thereof while in a daily mode

Agenda Item – 4.C.1.

Financing Structure:	Variable rate demand bonds; convertible to fixed rate pursuant to the Indenture
Maximum Interest Rate:	12%
Letter of Credit:	Not Applicable
Other Credit Enhancement:	Corporate guarantee of BP p.l.c.
Anticipated Bond Rating:	Moody's: Aa1/VMIG1 and S&P: AA/A-1+
Type of Financing:	Solid waste disposal and sewage facilities revenue bonds
Prepared by:	Leslie M. Lava, Esq. Law Offices of Leslie M. Lava (415) 331-6464

THE CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY

RESOLUTION NO. 08-242-01

**A RESOLUTION DEDICATING FOR USE OF A PORTION OF THE 2008 STATE
CEILING ON QUALIFIED PRIVATE ACTIVITY BONDS FOR AN
EXEMPT FACILITY PROJECT**

WHEREAS, the California Pollution Control Financing Authority (“CPCFA”) has received an application (“Application”) from **BP West Coast Products LLC** (“Project Sponsor”) for approval of the issuance of revenue bonds; and

WHEREAS, on August 26, 2009, CPCFA approved Final Resolution No. 493 (“Final Resolution”) authorizing the issuance of up to \$51,000,000 of Environmental Improvement Revenue Bonds (BP West Coast Products LLC Project) Series 2009A (“Bonds”) to finance certain solid waste disposal and sewage facilities described in the Application; and

WHEREAS, in seeking CPCFA approval of the Final Resolution, the Project Sponsor represented certain facts and information concerning the project to CPCFA which were relied upon by CPCFA in approving the Final Resolution; and

WHEREAS, the California Debt Limit Allocation Committee (“CDLAC”) has previously transferred to CPCFA a portion of the 2008 State Ceiling on Qualified Private Activity Bonds pursuant to Section 146 of the Internal Revenue Code of 1986, as amended, for use by CPCFA to issue bonds or other obligations in a manner consistent with CDLAC’s policies and procedures. Accordingly, capitalized terms not otherwise defined shall have the meanings ascribed to them in the “Procedures of the California Debt Limit Allocation Committee Implementing the Allocation of State Ceiling on Private Activity Bonds” (“CDLAC Procedures”); and

WHEREAS, it is appropriate for CPCFA to confirm the use of a portion of the 2008 State Ceiling on Qualified Private Activity Bonds allocated to CPCFA (“CPCFA Allocation”) to the issuance of the Bonds as set forth in the Final Resolution;

NOW, THEREFORE, CPCFA resolves as follows:

Section 1. CPCFA Allocation in the amount of **\$51,000,000** is hereby dedicated to the issuance of the Bonds. The dedicated CPCFA Allocation may be used only by the Project Sponsor and only for the issuance of Bonds for the Project, as specifically described in Exhibit A, and consistent with the terms of the Final Resolution. All of the terms and conditions of Exhibit A, and the Final Resolution are incorporated herein as though set forth in full (this resolution, the Final Resolution and Exhibit A, collectively “Resolution”).

Section 2. The terms and conditions of this Resolution shall be incorporated in appropriate documents relating to the Bonds, and the Project Sponsor and all its respective successors and assignees, will be bound by such terms and conditions.

Section 3. Any modification to the Project made prior to the issuance of the Bonds must be reported to the Executive Director and shall require reconsideration by the CPCFA before the Allocation may be used for the Project.

Section 4. The CPCFA Allocation dedicated by this Resolution shall automatically revert to CPCFA unless the Bonds for the Project have been issued by CPCFA by the close of business on **December 14, 2009**. In a case of extreme hardship, the Executive Director may extend this date by up to five (5) business days.

Section 5. Within twenty-four (24) hours of issuing the Bonds, CPCFA shall notify CDLAC by facsimile communication to the fax number listed in Section 24 of the CDLAC Procedures that the Bonds have been issued. This facsimile notice shall identify the Project Sponsor, the project or program, the date and amount of the Bonds issued.

Section 6. Within fifteen (15) calendar days of the Bond closing, CPCFA or its counsel shall formally transmit to CDLAC information regarding the issuance of the Bonds by submitting a completed Report of Action Taken in a form prescribed by and made available by CDLAC.

Section 7. Any differences between the amount of Bonds issued and the amount of the CPCFA Allocation dedicated in Section 1 of this Resolution shall automatically revert to CPCFA. If at any time prior to the expiration date set forth in Section 7 hereof the Project Sponsor determines that part or all of the CPCFA Allocation dedicated in Section 1 of this Resolution will not be required by the Project by that date, the Project Sponsor shall promptly give notice to CPCFA.

Section 8. In consideration of the CPCFA Allocation dedicated in Section 1 of this resolution, the Project Sponsor shall comply with all of the terms and conditions contained in this Resolution and ensure that these terms and conditions are included in the documents related to the Bonds. Further, the Project Sponsor expressly agrees that the terms and conditions of this Resolution may be enforced by CDLAC or CPCFA through an action for specific performance or any other available remedy, provided however, that CDLAC and CPCFA agree not to take such action or enforce any such remedy that would be materially adverse to the interests of Bondholders. In addition, CPCFA shall ensure that the Bond documents, as appropriate, expressly provide that CDLAC is a third party beneficiary of the terms and conditions set forth in this Resolution.

Section 9. The Project Sponsor or its successor-in-interest shall provide certifications of compliance with the terms and conditions set forth in this Resolution when reasonably requested by CDLAC or CPCFA.

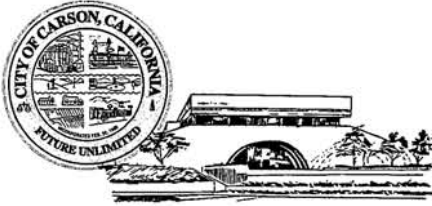
Section 10. This Resolution shall take effect immediately upon its adoption.

RESOLUTION NO. 08-242-01
(AN EXEMPT FACILITY PROJECT)
EXHIBIT A

1. Project Sponsor: BP West Coast Products LLC
2. Application #: 00574
3. Project User: BP West Coast Products LLC
4. Project Name: BP West Coast Products LLC
5. Location: Carson (Los Angeles County)
6. Credit Enhancement or Private Placement Purchaser: Corporate guarantee of BP p.l.c.
7. The Credit Enhancement Provider/Private Placement Purchaser at the time of issuance will be the same as represented in the application.
8. Amount of Allocation: \$51,000,000

Attachment A

OFFICE OF THE CITY MANAGER



JUL 29 '09 AM 11:46

CITY OF CARSON

July 27, 2009

City of Carson
701 East Carson Street
Carson, California 90745

California Pollution Control Financing Authority
Attn: Mike Paparian
915 Capitol Mall, Room No. 457
P.O. Box 942809
Sacramento, California 94209

RE: Private Activity Bonds for Exempt Facility Projects at the BP Carson Refinery

Dear Mr. Paparian:

We understand that the application filed with the California Debt Limit Allocation Committee from BP West Coast Products, LLC seeking volume cap allocations in order to issue private activity revenue bonds to finance the installation to clean fuels equipment located at the BP Carson Refinery, while substantially reducing the potential for environmental impacts, has been advanced in the review process. The City of Carson continues to support this application and stresses the importance of the projects for our community.

The proposed projects are designed to improve the environment in which our residents live, as well as establish a more efficient and reliable source of fuel for California. The city of Carson desires to have the BP refinery operate at its highest level of reliability. Approval of these projects will also assist our priority to help retain employment in Carson. We urge the California Debt Limit Allocation Committee to recognize the benefits that the proposed BP projects will bring to Carson and encourage approval of BP's request for volume cap allocations.

Yours truly,

A handwritten signature in black ink, appearing to read 'J. Groomes', written over a horizontal line.

JEROME G. GROOMES
CITY MANAGER