

August 26, 2013

Dear Fruit Valley Neighbor:

This letter is to keep our neighbors in Fruit Valley informed on activities at the Port of Vancouver.

The Port and Fruit Valley have a long and productive history, built on communication and working together. During the past few months we have shared in your neighborhood meetings the news that the port's long time tenant Tesoro has partnered with a company called Savage to construct a crude oil transport terminal called the Vancouver Energy Distribution Terminal at the port.

This project is in its very early stages and will begin design development in the upcoming months. In short, the project will be a transfer point from one mode of transportation to another. North American crude oil will be moved from trains on the Class 1 (a category for the largest and most sophisticated railroad companies in the country) BNSF Railway into storage tanks, which in turn is loaded into U.S. vessels bound for refineries in Alaska, Washington and California.

#### ***Port Rail Attracts New Business***

The Tesoro Savage energy distribution project is the latest of many new businesses that have located at the port due to our investment of nearly \$275 million in state-of-the-industry rail improvements. To date, the new rail service has attracted more than \$500 million in private development at the port, including soy and corn exports, potash, manufacturing, wind energy, crude oil and other business – generating hundreds of jobs and a huge boost to our local economy.

#### ***Safety Above All***

We know that safety and protection of the environment are above all else, and that the transport of oil can raise questions. Residents of Fruit Valley are our closest neighbors, and we welcome your questions and want to make sure that our line of communication is open, and that you have the information you need. We want this facility to be the safest and cleanest we can make it -period.

This effort begins with agency oversight and permitting. Tesoro Savage is beginning a vigorous environmental permitting process and developing a port facility safety plan. We invite you to follow its progress and participate.

#### ***Bringing New Jobs, Local Spending and Funding for Public Services***

This project supports the port's mission to generate jobs and create economic activity in our community. This was the driver behind the port's Board of Commissioner's decision to approve

a lease and move the Tesoro-Savage oil transport facility into the permitting and siting evaluation phase. The new facility will provide substantial benefits to Southwest Washington:

- 120 full time, direct permanent jobs on site at the port
- Over 1,000 direct jobs in the transport, handling and servicing of this facility -many of whom will live in Southwest Washington
- 2,700 total jobs related to supporting the Tesoro-Savage facility and its employees
- \$61 million spent annually on local purchases
- \$19 million in annual tax revenue that will go to state and local coffers to help fund public facilities and services such as fire, police and more

### ***Tesoro Savage Vancouver Energy Distribution Terminal Information***

As the developer and operator of the new transport facility, Tesoro- Savage has met with your neighborhood leadership and plans to continue to do so. They are beginning federal permitting and the Energy Facility Siting Evaluation Council review process, which includes local and state review. Both processes include many opportunities for public input. We are following these efforts closely and encourage your participation as well. Tesoro Savage partners have a new website for the Vancouver Energy Distribution Terminal, providing information on the terminal and a question and answer section. They invite you to visit the site at [www.vancouverenergyterminal.com/](http://www.vancouverenergyterminal.com/) and have committed to responding to your questions.

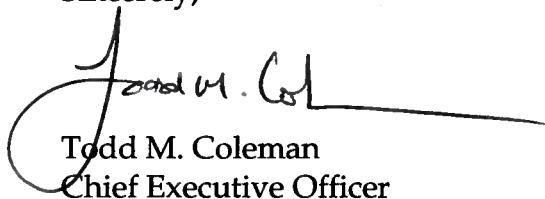
### ***Port of Vancouver Contact Information***

We are available to answer your questions and provide information. Call us at 360-693-3611, or email us at [info@portvanusa.com](mailto:info@portvanusa.com). You can also view Port of Vancouver Commission Workshops on the transport of crude oil and review of the lease on our port website, or directly link at <http://www.portvanusa.com/news-releases/port-commission-approves-lease-with-tesoro-savage/>. We try to attend every Fruit Valley Neighborhood Association meeting, and are available to answer your questions in person as well. The next neighborhood meeting is Thursday September 5 at 7 p.m. at the Fruit Valley Community Center.

### ***Other Port Construction Continues***

You may notice construction activity this summer and fall as we continue our rail and facility improvements. Some pile driving from mid-August through October will occur at the southeast end of the port during weekday working hours, and you may observe some increase in construction vehicles primarily around the port. Please feel free to contact us if you have questions at 360-693-3611, or [info@portvanusa.com](mailto:info@portvanusa.com).

Sincerely,



Todd M. Coleman  
Chief Executive Officer