

February 28, 2022

Ian Dillingham
Valero Benicia Marine Terminal
ian.dillingham@valero.com

Dear Ian Dillingham:

Thank you for submitting the Terminal Plan (Plan) on behalf of the Valero Benicia Marine Terminal to the California Air Resources Board (CARB) as required by the Control Measure for Ocean-Going Vessels At Berth ("Regulation"). CARB staff has reviewed your Plan submittal against the requirements set forth in section 93130.14(a) of the Regulation, and have identified the Plan is missing the information required by the following provisions:

- Section 93130.14(a)(3)(E) of the Regulation requires the terminal to provide any terminal/port-specific berthing restrictions for each emissions control strategy. While the plan does mention terminal restrictions via the Marine Oil Terminal Engineering and Maintenance Standards (MOTEMS) and the Valero Benicia Port Information and Terminal Regulations Manual, the plan is not descriptive on which specific berthing restrictions would present themselves with each control technology that Valero elected to use at the Benicia terminal;
- Section 93130.14(a)(3)(F) of the Regulation requires the terminal to provide a schedule for installing equipment; and
- Section 93130.14(a)(3)(H) of the Regulation requires a terminal operator claiming that a physical and/or operational constraint will delay its ability to implement its preferred CARB-approved control strategy to achieve emission reductions from vessels at berth according to the requirements of section 93130 et seq., must also include with its terminal plan a technical feasibility study evaluating if there are any other emission control options that could be implemented more quickly at the terminal.
 - Although the Valero Benicia Marine Terminal plan did provide a milestone schedule that stated that shore power and a shore-based capture and control system would not be operational until August 1, 2029, the plan did not include a technical feasibility study evaluating if there are any other control options that could be implemented more quickly at the terminal. In addition, for the barge-based control system, the terminal plan claims a physical and/or operational constraint exists since "there needs to be a sufficient number of third-party barge-based capture and control system providers that are CARB and IMO-approved...to ensure that competitive bids can be obtained before executing a contract with the successful bidder". The assurance of terminals to receive competitive bids for the purchase of emissions control equipment is not an exemption from compliance with the At Berth Regulation.

With respect to the division of responsibilities, we request clarifying language to describe the relationship between the Port and the terminal. Although it is our understanding that the terminal is an independent marine terminal, we request information that specifically details the responsibilities of the terminal and any that the Port may have for infrastructure.

CARB requests that a corrected Plan addressing the above deficiencies be re-submitted as an updated Plan to shorepower@arb.ca.gov within 90 days of receipt of this letter. Once CARB receives the updated Plan, staff will have 90 calendar days to review the corrected Plan and confirm completeness.

Additional information on Port and Terminal Plans can be found on CARB's website at: <https://ww2.arb.ca.gov/new-berth-regulation-implementation>.

If you have any questions about the deficiencies identified by CARB, please contact Elizabeth Melgoza, Air Pollution Specialist, Marine Strategies Section, by email at elizabeth.melgoza@arb.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bonnie Soriano".

Bonnie Soriano, Branch Chief, Freight Activity Branch

cc: Elizabeth Melgoza, Air Pollution Specialist, Marine Strategies Section