EXHIBIT B



31 May 2019

California Air Resources Board David Quiros Manager, Freight Technology Section Transportation and Toxics Division

Mr. Quiros,

Thank you again for making time to meet with me and Dan on May 8<sup>th</sup> to discuss the implications of California Air Resources Board's (CARB) forthcoming Commercial Harbor Craft and At-Berth rules as they relate to Articulated Tug Barges (ATBs) calling California ports.

Crowley asks that CARB classify ATB units that carry petroleum product cargoes, such as those in Crowley's fleet, as ocean going vessels. We make this request based on the operational profile of the vessels. Crowley's petroleum ATBs are, from a trading perspective, the effective equivalent of ocean going tankers.

In addition to operating petroleum ATBs, Crowley manages both Medium Range and Aframax tankers that call California ports. Based on this experience, we can provide the following assessment of ATB operations as they relate to tanker operations. The ATBs:

- 1. Call the same petroleum terminals in California that are called by Crowleymanaged tankers (for example, Chevron Richmond, Shell Martinez, Phillips Rodeo, Shell Mormon Island).
- 2. Carry the same cargoes that are carried by Crowley-managed tankers. Both ATBs and tankers carry refined petroleum products and (in some cases) crude oil.
- 3. Conduct operations in a manner equivalent to those conducted by Crowleymanaged tankers. Both ATBs and tankers transit California waters bound to a petroleum terminal, conduct cargo operations at the terminal, and then depart California waters for their next port of call.

The attached spreadsheet includes data on California-related activities for three Crowley managed ATBs (SEA RELIANCE, GULF RELIANCE, and VISION), and three Crowley managed tank ships (EVERGREEN STATE, FLORIDA, and AMERICAN ENDURANCE) that illustrates the third point above.



We have also included some information on several harbor tugboats that Crowley operates in the company's California ship assist and escort service (ADMIRAL, LEADER, MASTER, GOLIAH, VALOR, and VETERAN). This data clearly shows that the operational profiles of ATBs and tankers are similar to each other and **not** similar to the profile of the harbor tugboats. The harbor tugboats are truly harbor craft. The ATBs, like the tankers, are not.

To summarize, Crowley is requesting that petroleum ATBs, like those in Crowley's ATB fleet, be classified as ocean going vessels rather than commercial harbor craft. ATBs are the operational equivalent of tankers, which are correctly classified as ocean going vessels.

If you have any questions about this letter or the attached spreadsheet, please contact Dan Smith directly at 206-331-2346 or at <u>daniel.smith@crowley.com</u>. As you know, Dan is engaged with CARB around both the Harbor Craft and At-Berth rules and can speak to Crowley's position on these matters.

Respectfully,

Willy. R. Miles

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