State of California

CALIFORNIA AIR RESOURCES BOARD

Executive Order G-714-ADF-FE20

Alternative Diesel Fuels Regulation Fleet Exemption for Universal Logistics Holdings – Compton, California

Pursuant to Sections 39600, 39601, 43013, 43018, and 43101 of the Health and Safety Code, the California Air Resources Board (CARB) adopted the Regulation on Commercialization of Alternative Diesel Fuels (ADF regulation) published at title 13, California Code of Regulations (CCR), section 2293 et seq. Effective since January 1, 2016, the ADF regulation establishes a comprehensive, multi-stage process administering the commercialization of alternative diesel fuels in California. The ADF regulation governs the introduction and use of innovative alternative diesel fuels in California while preserving or enhancing public health, environmental, and emission benefits of the existing motor vehicle diesel-fuel regulations.

The ADF regulation includes specific provisions designed to control potential increases in oxides of nitrogen (NO_x) emissions that could otherwise be caused by the use of biodiesel under certain circumstances. These in-use requirements have been in effect since January 1, 2018. The ADF regulation includes exemptions to the in-use requirements for qualifying fleets if owners or operators can demonstrate that they meet the exemption conditions specified in the ADF regulation section 2293.6(a)(5)(A)1, 2, and 3. A fleet exemption may be granted if the following conditions are met: 1) the fleet owner or operator can demonstrate to the Executive Officer that at least 90 percent of the fleet consists of a combination of light and medium duty vehicles and heavy duty new technology diesel engine (NTDE) vehicles; and 2) any unmitigated biodiesel approved under this Executive Order will only be used by the exempted fleet.

Universal Logistics Holdings (ULH), headquartered at 12755 E 9 mile Rd, Warren, MI 48089, has requested a fleet exemption for ULH fleet fueling station located at 550 South Alameda St, Compton, CA 90221.

ULH submitted their complete fleet composition list of vehicles at Compton fleet on October 11, 2021 (Confidential Attachment 1). The fleet meets the requirement that at least 90 percent of the fleet consists of a combination of light and medium duty vehicles and heavy duty vehicles with NTDEs, as specified pursuant to section 2293.6(a)(5)(A)2.

ULH demonstrated that the fleet fueling facility has a centralized and specified secure fueling area. The fleet fueling facility is fenced with a gate. Each driver is issued an individual card. The card is used to gain access at the gate and at the fuel dispensers. Fleet vehicle drivers and facility employees without a card must call in at the gate to gain access to the facility site. General public access is not allowed on site without the terminal main office permission at the gate. Each entrance is monitored by camera 24 hours a day, 7 days a week.

ULH has EJ WARD fuel tracking system software that stores all card and vehicle information. Individual driver's fueling activity is tracked and recorded by EJ WARD. The card issued to individual drivers allows the specific driver to access the onsite cardlock system to fuel diesel and diesel exhaust fluid (DEF). The facility fuel tank inventory is tracked by the Simmons inventory system that shows daily sales, deliveries, and ending inventory.

ULH demonstrated that the fleet fueling facility has procedures or protocols in place to reasonably preclude fueling of vehicles that are not in the exempted fleet. Only the authorized vehicles specified in Confidential Attachment 1 are allowed to access or dispense fuel at this site.

In addition, ULH will notify CARB of any changes to the fleet composition.

NOW, THEREFORE, (IT IS ORDERED AND RESOLVED) that the ULH fleet located at 550 South Alameda St, Compton, CA 90221, has met all requirements for fleet exemption and is granted an exemption from the in-use requirements in section 2293.6 of the ADF regulation.

CARB reserves the right in the future to review this Executive Order Fleet Exemption to confirm that the exemption continues to meet the requirements, conditions, standards, and procedures of title 13, California Code of Regulations, section 2293, et seq.

Violation of any of the above conditions shall be grounds for revocation of this Executive Order.

Executed at Sacramento, California, this <u>22nd</u> day of <u>December</u> , 2021.

Carolyn Lozo

Chief, Oil and Gas and GHG Mitigation Branch