State of California

CALIFORNIA AIR RESOURCES BOARD

Executive Order G-714-ADF-FE24

Alternative Diesel Fuels Regulation Fleet Exemption for Caton Ag, Inc. – Escalon, 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.

Caton Ag, Inc. (Caton Ag) has requested a fleet exemption for Caton Ag fleet fueling station located at 14303 Campbell Rd. Escalon, CA 95320.

Caton Ag submitted their complete fleet composition list of vehicles in the Escalon fleet on July 18, 2022 (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 diesel vehicles with NTDEs, as specified pursuant to section 2293.6(a)(5)(A)2.

Caton Ag demonstrated that the fleet fueling facility has a centralized and specified secure fueling area for Caton Ag fleet vehicles listed in the Confidential Attachment 1. The Caton Ag fleet location is a fully fenced and secured facility.

The fuel island for the Caton Ag fleet is located within a gated area, monitored by security cameras as well as the Caton Ag on-site shop supervisor. The gate remains locked after hours. General public access is not permitted on site.

The main valve to the fuel island is operated by the Caton Ag on-site shop supervisor. Only supervisors have keys to the shop, which is the location of the main fuel valve to the fueling island. Only authorized staff members and drivers can dispense fuel during the business hours for the vehicles listed in the Confidential Attachment 1. The main fuel value is shut off at the end of each day when the shop is closed.

Caton Ag 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 can access or dispense fuel at this site.

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

NOW, THEREFORE, (IT IS ORDERED AND RESOLVED) that the Caton Ag fleet, located at 14303 Campbell Rd. Escalon, CA 95320, 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>19th</u> day of <u>August</u>, 2022

Carolyn Lozo

Chief, Oil and Gas and GHG Mitigation Branch