Tesoro Logistics Operations LLC 1300 Pier B Street Long Beach CA 90813



August 19, 2022

Email shorepower@arb.ca.gov

California Air Resources Board Transportation and Toxics Division Freight Activity Branch, Marine Strategies Section P.O Box 2815 Sacramento, CA 95812

RE: CCR Title 17 93130-93130.22

Response to Comments on Innovative Concept Application

Dear Sir or Madam:

Tesoro Logistics Operations (TLO) applied for the use of Innovative Concepts in complying with the California Air Resources Board (CARB) Ocean-Going Vessels At-Berth Emissions Control Regulation (the Regulation). Per the Regulation, TLO is required to respond to comments received from the public within 45 days from the close of the public comment period. TLO received comments from two entities during the public comment period, STAX Engineering and Pacific Environment.

STAX Engineering

TLO appreciates STAX Engineering's supportive comments regarding TLO's innovative concept application. TLO agrees with STAX's assessment that solutions for compliance with the control measure will be capital intensive.

Pacific Environment

Our concern with this proposal is that this could delay the implementation of shorepower for both the regulated and unregulated ships – using shorepower is the most efficient way to reduce emissions from ships at berth. Regulated ships will not use shorepower or zero-emission technologies (e.g., batteries) because they'll use credits generated from unregulated ships, and unregulated ships will only generate credits if they don't already use shorepower or other zero-emission technologies.

While we applaud the applicant for their technology to reduce emissions from ships, the fact that the technology shows they plan on capturing emissions from bulk carriers and general cargo vessels, and vessels at anchor affirms that Pacific Environment's position that bulk carriers and general cargo vessels, and vessels at anchor need to be added under the At-Berth rule, and that tanker vessels implementation should be accelerated to 2024, instead of 2025 and 2027 (see attachment).

The capture and control system should only be used as a secondary measure and not in lieu of shorepower, and we urge CARB to not approve the Tesoro Long Beach application as an innovative concept.

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TLO thanks Pacific Environmental for the comments to TLO's innovative concept application. Today, shore power is only available at a single tanker berth in California and utilized by one tanker out of hundreds that visit California every year. Because no industry engineering standards exist for shore power use on tanker vessels, the timeline for the broad adoption of the technology is unclear. It is TLO's opinion that due to the lack of standards and the variability in age and designs of the current tanker fleet, significant hurdles for adoption will persist. These challenges and others are recognized by CARB and are the reason a set of solutions are needed to reduce emissions while vessels are at berth.

Under the Regulation, a proposed innovative concept must achieve emissions reductions that exceed any reductions otherwise required by law. Proposing an innovative concept such as those proposed in TLO's application is neither an indication that a concept is implementable today nor a guarantee that a concept can or will be implemented. TLO has not undertaken any feasibility assessments to understand capture and control technology's applicability on other vessel types. TLO's own feasibility study for the capture and control technology for tankers is ongoing and does not support the accelerated timeline for tankers suggested by Pacific Environment. Further, it would be inconsistent with the Regulation to, as urged by Pacific Environment, deny a proposed innovative concept for controlling emissions from an unregulated source using capture and control once technology to do so is available. For each of these reasons, TLO believes this innovative concept should be approved.

Sincerely,

Timothy W. Hayes Region Manager

Cc: Heather.Arias@arb.ca.gov

Bonnie.Soriano@arb.ca.gov

acsondes@arb.ca.gov