



Via Email: shorepower@arb.ca.gov

April 28, 2022

Bonnie Soriano
Branch Chief, Freight Activity Branch
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: California Air Resources Board (“CARB”) February 28, 2022 Letter

Dear Ms. Soriano:

Valero Refining Company-California dba the Valero Benicia Refinery received the CARB’s February 28, 2022 letter and provides this response.

Letter Bullet 1: Section 93130.14(a)(3)(E) of the Regulation requires the terminal to provide any terminal/port specific berthing restrictions for each emission control technology. 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 elected to use at the Benicia terminal.

Response: Benicia has not selected a control technology because there is currently no commercially available CARB-approved control technology(s) to comply with the regulation. It will be able to identify any specific berthing restrictions presented by the control technology(s) selected once CARB-approved control technologies are available.

Letter Bullet 2: Section 93130.14(a)(3)(F) of the Regulation requires the terminal to provide a schedule for installing equipment.

Response: As there are currently no commercially available CARB-approved technology(s) to comply with the regulations, a schedule for installing equipment cannot be provided at this time. A high-level project implementation schedule was developed for each control option evaluated in the Moffat Nichols technology assessment. Please see Page 41 and Attachment L of the assessment.

Letter Bullet 3: Section 93130.14(a)(3)(A) of the Regulation requires the terminal plan to identify and describe all necessary equipment, including whether it will be located on the vessel, wharf, shore, or elsewhere.

- 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 were 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 barrier and/or operational constraint

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exists since “there needs to be a sufficient number of third-party barge-based capture and control system providers that are CARB 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.

Response: Benicia is not claiming that there is a physical or operational constraint that will delay its ability to implement its preferred CARB-approved control strategy. Benicia has stated that there is currently no commercially available CARB-approved control technology to comply with the regulation. Benicia bases this position on the WSPA-commissioned technology assessment which was previously provided to CARB by DNV GL USA, Inc. Maritime and also on the technology assessment commissioned by Benicia. Both technology assessments are provided herewith.

Letter Page 2: 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.

Response: At this point in the lease structure and agreement, the Port of City of BN is not considered responsible for any needed infrastructure of the Benicia Terminal Dock.

Benicia committed to evaluating control technologies as they become available. Once those technologies have received all required regulatory approvals, a control technology can be chosen and the terminal plan can be updated to reflect the specifics of the chosen control technology(s).

Sincerely,

A handwritten signature in blue ink that reads 'Joshua Tulino'.

Joshua Tulino
VP & General Manager
Valero Benicia Refinery