

November 14, 2022

Jennifer Polk, HSE Manager NuStar Shore Terminals LLC, Selby (Crockett) 90 San Pablo Avenue Crockett, California 94525 jennifer.polk@nustarenergy.com

Dear Jennifer Polk,

Thank you for submitting a response letter to CARB regarding the deficiencies CARB identified in your initial terminal plan (Plan) on March 28, 2022, for the Shore Terminals Selby (NuStar) terminal. The deficiencies that CARB identified in your original terminal plan include:

- Not identifying and describing all necessary equipment needed to implement the terminal's chosen strategy;
- Not including a technical feasibility study evaluating if there are any other control options that could be implemented more quickly at your terminal;
- Not including supporting information such as the Moffatt & Nichol and Det Norske Veritas (DNV GL USA, Inc. Maritime) reports that you reference in your Plan;
- Not including port/terminal specific berthing restrictions for each control strategy; and
- Not identifying a schedule for installing equipment.

CARB staff reviewed your response and still considers the plan to be incomplete. CARB reminds NuStar that a delay in planning for the appropriate control technology at your terminal, or an incomplete terminal plan submittal, does not excuse a terminal from their compliance obligation which requires tanker vessels visiting ports in Northern California to comply with the At Berth Regulation by January 1, 2027.

Section 93130.14(a)(3)(H) of the Regulation requires that any terminal that is claiming a physical and/or operational constraint in their terminal plan must also conduct a feasibility study to determine if there are any other technologies available that could be implemented more quickly at the terminal. The initial terminal plan and response indicated that there is no CARB approved emission control technology for tankers. CARB would like to clarify that shore power is a CARB approved emission control strategy (CAECS) and has been demonstrated and used on tanker vessels in California since 2009.

NuStar submitted the DNV Study¹ as their feasibility study. While this study describes issues that tanker terminals may experience with control technologies and compliance timelines, this study is not -site-specific to the NuStar Selby terminal. To better understand the technologies that would be best suited for your terminal, as required in section 93130.14 of

¹DNV, California Air Resources Board's (CARB) Ocean-Going Vessels at Berth Regulation Emissions Control Technology Assessment for Tankers, November 30, 2021.

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the Regulation, CARB requires NuStar to submit a terminal specific feasibility study for ROD 8 to explore control technologies that could be implemented at your terminal. Additionally, updated plans for tanker terminals must be submitted the year before the compliance date reflecting any changes to the terminal operator's strategy. The response also states that terminal specific berthing restrictions and a schedule for installing equipment cannot be provided at this time, but these requirements can be provided once CARB-approved control technologies are available. CARB encourages NuStar to work to expedite the development, installation, and deployment of shore power or another CAECS that is appropriate for your specific terminal.

Section 93130.15 of the Regulation provides an additional compliance option to remediate uncontrolled emissions at berth through an hourly fee based on the cost of securing equivalent emissions reductions. The remediation fund can only be used as an option to comply with the Regulation in specific, limited circumstances provided under section 93130.15 where vessel operators, terminal operators, CAECS operators, and/or ports have already made enforceable commitments to controlling emissions at berth. A terminal plan must be deemed acceptable under section 93130.15(b)(5) to be eligible as a basis to use the remediation fund to comply with the Regulation.

Additional information on Port and Terminal Plans can be found on *CARB's At Berth Regulation Implementation* website. If you have any questions about the specific concerns identified by CARB, please contact Elizabeth Melgoza, Air Pollution Specialist, Marine Strategies Section, by email at *Elizabeth.Melgoza@arb.ca.gov*.

Sincerely,

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Heather Arias, Chief, Transportation and Toxics Division

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Heather Quiros, Assistant Chief, Enforcement Division

cc: Chris Vratil, GM Pipeline and Terminal Operations, West Region, Chris.Vratil@nustarenergy.com

Elizabeth Melgoza, Air Pollution Specialist, Marine Strategies Section