

November 14, 2022

Lisa Hodges, Senior Advisory Counsel  
Environmental & Regulatory Affairs  
The Valero Companies  
P.O. Box 696000  
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Dear Lisa Hodges,

Thank you for submitting a response letter to CARB regarding the deficiencies CARB identified in your initial terminal plan (Plan) on February 28, 2022, for the Ultramar and Shore Terminal's Wilmington Marine Terminal (Berth 163). 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 to installing equipment.

CARB staff reviewed your response and still considers the Plan to be incomplete. CARB reminds Ultramar and Shore Terminals 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 Southern California to comply with the At Berth Regulation by January 1, 2025.

The initial terminal plan and response indicated that there is no commercially available CARB approved control technology to comply with the Regulation. 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. Regarding a technology assessment, Ultramar and Shore Terminals submitted the DNV Study<sup>1</sup> 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 Wilmington terminal. To better understand the technologies that would be best suited for your terminal, as required in section 93130.14 of the Regulation, CARB requires Ultramar and Shore

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

Terminals to submit a terminal specific feasibility study for Berth 163 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 letter submitted to CARB 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 CAECS are available. CARB encourages Ultramar and Shore Terminals 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](mailto:Elizabeth.Melgoza@arb.ca.gov).

Sincerely,



Heather Arias, Chief, Transportation and Toxics Division



Heather Quiros, Assistant Chief, Enforcement Division

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