

January 27, 2025

Bryan Dickson Director, Polar HSE Polar Tankers Fleet Representative 925 North Eldridge Parkway (SP1-13-S186) Houston, Texas 77079 *bryan.w.dickson@conocophillips.com*

Dear Bryan Dickson:

In Polar Tankers' "Prospective Eligibility Determination Request" (Polar's Request) dated November 7, 2024, submitted via email, Polar Tankers (Polar) requested prospective eligibility to use the remediation fund for visits made by Polar's Endeavor Class tankers to berth T-121 at the Port of Long Beach to comply with the 2020 At Berth Regulation. The requested eligibility period begins January 1, 2025, and ends for the following five Polar vessels based on the estimated completion of shore power installation:

- Polar Enterprise (IMO 9250660) estimated completion by Q2,2025
- Polar Adventure (IMO 9244063) estimated completion by Q2, 2025
- Polar Endeavour (IMO 9193551) estimated completion by Q3, 2025
- Polar Discovery (IMO 9206114) estimated completion by Q4, 2025
- Polar Resolution (IMO 9193563) estimated completion by Q4, 2026

Enforceable Commitment

The use of the remediation fund is a compliance option under the 2020 At Berth Regulation where regulated entities have made certain enforceable commitments to controlling emissions at berth, per Section 93130.15. Polar is requesting prospective eligibility to use the remediation fund compliance option while vessels are modified to receive shore power.

We recognize Polar's purchase orders for shore power equipment with the suppliers Curicta Technologies Corp. and ABB Inc. as an enforceable commitment to comply with the 2020 At Berth Regulation.

Qualifying Circumstance

Polar's prospective eligibility request to utilize the remediation fund qualifies for remediation through the criteria specified in Section 93130.15(b)(2), vessel equipment repairs, where new or replacement equipment has been ordered in a timely manner but has not been received.

Because this qualifying circumstance will span across multiple visits, we agree that it is appropriate for Polar to utilize 93130.15(h), whereby regulated entities may seek a prospective eligibility determination from CARB to use the remediation fund option.

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The request is valid on these five vessels awaiting equipment installation and commissioning. After a vessel successfully commissions shore power, the vessel is no longer eligible for remediation under Polar's Request.

Process for Confirming Use of Remediation Fund

Having received eligibility from CARB to use the remediation fund during the requested time period, Polar shall report data on each vessel visit within the required 30 calendar days per Section 93130.7(e)(4) and shall make payments at least monthly to the remediation fund administrator per Section 93130.15(h).

When submitting visit reports to CARB during the requested eligibility period, we request that Polar include a summary statement in the email submission with the number of hours to remediate for tanker vessels with electric pumps based on the visits claiming the remediation fund compliance option in the submitted visit report.^{1,2}

After CARB staff confirm the payment amount with the fund administrator, Polar shall transfer that amount to the fund administrator. This confirmation process is standard across all remediation fund approvals to ensure that fund administrators only receive eligible payments.

Conditions for Remediation Eligibility

Under the qualifying circumstance described above, and conditional on Polar's continuing enforceable commitment, properly reported and documented visits by the five applicable Polar vessels to Terminals at California Ports may be compliant through remediation. To ensure continued progress toward installing shore power, CARB is approving Polar's Request for up to one year (January 1, 2025, through December 31, 2025). CARB invites Polar to submit a request for an extension prior to December 31, 2025, to provide progress updates on the status of the installation and commissioning of shore power equipment on Polar's vessels.

If a vessel is not yet commissioned by December 31, 2025, Polar may reapply to receive another prospective eligibility determination for an additional period. The request should include progress updates on the status of the installation and commissioning of shore power equipment on Polar vessels. Polar also has the option to request the remediation fund compliance option on a per-visit basis within 30 days of vessel departure, as specified

¹ There is a different hourly rate for different vessel types per Section 93130.15(f). The hourly rates for 2025/2026 are posted to CARB's remediation fund webpage at: *https://ww2.arb.ca.gov/ourwork/programs/oceangoing-vessels-berth-regulation/remediation-fund*

² To remediate the entire duration of a vessel visit, the appropriate start time is two (2) hours after the vessel is declared "Ready to Work", and the appropriate end time is one (1) hour before pilot on-board in preparation for departure. These start and end times are specified in Sections 93130.7(e)(3), 93130.9(d)(4), and 93130.12(b)(2) which describe the emission control requirements for regulated visits. Each partial hour counts as a full hour for the purpose of calculating remediation payments per Section 93130.15(e).

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in Section 93130.15(c). To maximize emissions reductions, CARB encourages Polar to complete the installation and commissioning of shore power as soon as possible.

Prospective eligibility to use the remediation fund can continue for each vessel listed above until successful shore power installation and commissioning. Once a vessel successfully commissions shore power, Polar must notify CARB, and the qualifying circumstance for that vessel will conclude, and that vessel will no longer qualify to use the remediation fund under this prospective eligibility determination.

Polar is responsible for accurately calculating the correct number of remediation hours for visits using the remediation fund compliance option as documented in the visit report. Insufficient remediation payments that fail to address all uncontrolled hours during visits claiming the remediation fund compliance option may result in visit(s) considered noncompliant with the 2020 At Berth Regulation and referred to CARB's Enforcement Division.

In addition to remediation, these vessel visits may also be compliant through the use of a CARB-approved emission control strategy or the appropriate use of an exception, such as if a fleet operator authorizes the use of a vessel incident event (VIE), a terminal operator authorizes the use of a terminal incident event (TIE), or the visit participates in research under a CARB approved test plan.

If at any point the schedule for the installation of shore power on Polar's vessels changes, or the purchase orders change or are terminated for any reason, Polar may risk losing this remediation fund compliance option pathway at that time, unless Polar can provide justification for why the schedule was changed or another enforceable commitment can be demonstrated.

Please reach out to Angela Csondes, Manager, Marine Strategies Section at *angela.csondes@arb.ca.gov* if there are any outstanding questions.

Sincerely,

Bomm Som

Bonnie Soriano, Chief, Freight Activity Branch, Transportation and Toxics Division

cc: Angela Csondes, Manager, Marine Strategies Section