

March 19, 2025

Joel Valenzuela
Director of Maritime
San Diego Unified Port District
jvalenzu@portofsandiego.org

Dear Joel Valenzuela:

On January 2, 2025, San Diego Unified Port District (the Port) requested prospective eligibility to use the remediation fund over an extended period for visits to National City Marine Terminal (NCMT). NCMT is a terminal located at the Port that receives visits from auto carrier/roll-on roll-off (ro-ro) vessels.

Vessel visits to NCMT are subject to emission control requirements under the 2020 At Berth Regulation (Regulation), title 17 Cal. Code Regs. Sections 93130 et seq. The remediation fund compliance option is an hourly payment to remediate the uncontrolled emissions during a vessel visit.

The Port is requesting a six-month eligibility period, beginning January 1, 2025, and ending on July 1, 2025.

Enforceable Commitment

The remediation fund is a compliance option where regulated entities have made certain enforceable commitments to controlling emissions at berth, per Section 93130.15 of the Regulation. California Air Resources Board (CARB) recognizes the Port's contract with Clean Air Engineering Maritime (CAEM) as an enforceable commitment to comply with the Regulation by using a CARB Approved Emission Control Strategy (CAECS). CAEM has Executive Order (EO) approval from CARB to operate a capture-and-control barge system to treat emissions from container vessels, and is subject to the 2020 At Berth Regulation as a CAECS operator. CAEM has a CARB approved Test Plan to test their system on ro-ro vessels to be used for compliance.

Qualifying Circumstance

The Port's request to use the remediation fund qualifies through the criteria specified in Section 93130.15(b)(1), terminal equipment repairs, where new or replacement equipment has been ordered in a timely manner but has not been received. CAEM has delivered a barge system, the METS-1, to San Diego, but this barge is not yet CARB approved for use on ro-ro vessels.

Because this qualifying circumstance will span across multiple visits, CARB agrees that it is appropriate for the Port to use 93130.15(h), whereby regulated entities may seek a

prospective eligibility determination from CARB to use the remediation fund option for multiple vessel visits over an extended time period.

Process for Confirming Use of Remediation Fund

Having received eligibility from CARB to use the remediation fund during the requested time period, the Port shall make payments at least monthly to the remediation fund administrator per Section 93130.15(h). These payments shall be based on NCMT's terminal reports submitted to CARB within the required 30 calendar days per Section 93130.7(e)(4). The Port shall ensure the reported remediation start and end times are accurate, and any relevant vessel and engine information is provided to CARB.^{1 2}

After CARB staff confirm the payment amount with the fund administrator, the Port 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.

For visits that took place between January 1, 2025, and the date of this letter, NCMT shall re-submit their terminal report(s) within 30 days with complete information in the "Remediation Fund Information" section, columns AO-AS. The most current template version is available on CARB's website.³ CARB will review the reports submitted by NCMT and send an approval notice via email to the Port for the visits that requested the remediation fund compliance option. Payments for these visits will be due within 30 days of CARB's approval notice. For any visits that have already been requested, i.e., by the vessel operator, CARB will approve these remediation payments separately.

Conditions for Remediation Eligibility

Under the qualifying circumstance described above, properly reported and documented visits to NCMT may be compliant through remediation during the requested eligibility period.

NCMT and the Port are responsible for accurately reporting the correct number of remediation hours in NCMT's terminal reports. Insufficient remediation payments that fail to address all uncontrolled hours during visits claiming the remediation fund compliance

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/our-work/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).

³ The most current template version (updated 10/08/2024) is available on CARB's website: <https://ww2.arb.ca.gov/our-work/programs/ocean-going-vessels-berth-regulation/berth-reporting-templates>

option may result in visit(s) considered noncompliant with the Regulation and referral to CARB's Enforcement Division.

If at any point the previously provided commitment(s) to controlling emissions at berth are materially altered or terminated, or if the approved qualifying circumstance changes or no longer applies before the end of the approved eligibility period, the Port may risk losing this remediation fund compliance option pathway at that time, unless the Port can provide justification for the change or another enforceable commitment can be demonstrated.

Other Compliance Options and Seeking Additional Remediation Eligibility

Please note that visits do not need to comply using the remediation fund if they are otherwise compliant through, for example, Vessel Incident Events or Terminal Incident Events as specified in Section 93130.11, or the research exception as specified in Section 93130.8(d) of the Regulation for visits that participate in testing specified in a CARB approved test plan.

If CAECS service is not yet available for any/all visits to NCMT by July 1, 2025, the end date of the requested eligibility period, the Port may reapply to receive another prospective eligibility determination for an additional period. The Port also has the option to request the remediation fund compliance option on a per-visit basis within 30 days of vessel departure, as specified in Section 93130.15(c).

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

Sincerely,



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

cc: Angela Csondes, Manager, Marine Strategies Section