Tesoro Refining &
Marketing Company LLC

539 South Main Street
Findlay, OH 45840

SUBMITTED ELECTRONICALLY

November 17, 2022

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Comments on the proposed In-Use Off-Road Diesel-Fueled Fleets Regulation amendments

Dear Chairwoman Randolph and Honorable Board Members:

Tesoro Refining & Marketing Company LLC, an indirect, wholly owned subsidiary of Marathon Petroleum Corporation, (collectively, MPC) appreciates the opportunity to provide comments on the California Air Resources Board's (CARB) proposed In-Use Off-Road Diesel-Fueled Fleets Regulation (Regulation).

MPC is a refiner and marketer of transportation fuels in the State of California and is investing in low-carbon solutions to meet the energy demands of today and into the future. Refineries are complex interconnected systems that include thermal process equipment, distillation towers, mechanical pumps, compressors, and pollution control equipment. Off-road vehicles are essential to maintaining these refinery systems. Refinery operators use off-road vehicles to deliver, remove, and replace critical pieces of refinery equipment on a regular basis. These same offroad vehicles are also used to support significant capital projects, such as the conversion of our Martinez crude oil refinery to a renewable fuel facility. The frequency these vehicles are used within the facility varies because although some work is planned, other maintenance activity is not. Refinery operators must carefully consider when to remove off-road vehicles from service so as not to impact a refinery's ability to maintain, operate, start up or shut down equipment. The timelines proposed in this Regulation do not allow enough time for refineries to manage the challenges associated with transitioning the existing fleet of off-road vehicles while maintaining safe and reliable refinery operations.

MPC's recommendations to the proposed Regulation changes are below. Additional discussion and support for these recommendations is provided.

- CARB should delay the implementation dates of the engine phase out for Tier 0, Tier 1 and Tier 2 Large Fleets by one additional year.

CARB must set attainable goals that allow for companies to efficiently transition off-road vehicles to higher Tier engines, not set aspirational goals with overburdened extensions.

CARB's requirement that Tier 0 off road vehicles in a Large Fleet shall not operate starting January 1, 2024, does not provide enough time to properly plan for the replacement of the Tier 0 vehicles. Much of MPC's offroad-diesel fleet consists of heavy cranes and forklifts, vehicles critical to the proper operation and maintenance of refinery assets. CARB has not provided evidence to illustrate an adequate supply of vehicles or engines will be available to replace the 8,859 Tier 0[1] vehicles, 13,569 Tier 1[2] vehicles, and 21,139 Tier 2[3] vehicles used in California today within the time frames specified in the Regulation for Large, Medium and Small Fleets. Instead, CARB has bridged the availability of the Tier 4F engines and vehicles with a compliance extension due to delays in the manufacturers' or installers' ability to provide replacement engines and vehicles. While this extension creates a pathway for compliance it does so without regard for the anticipated or unanticipated need for a vehicle and places a significant administrative burden on the vehicle owner. Large Fleets with Tier 0 vehicles have been given 13 months from the expected adoption of this Regulation to comply, this period of time is far too short. The proposed timelines will cause inefficiencies and complications due to the scale of the transition and MPC recommends CARB delay the proposed dates for the Large Fleet engine Tier phase out in § 24491.1(c) by one additional year.

MPC applauds the use of renewable diesel in the Regulation, and while MPC is doing its part to produce and deliver significant quantities of lower carbon intensity fuels like renewable diesel, incremental access to 99 percent renewable diesel (R99) or 100 percent renewable diesel (R100) by January 1, 2024, may be challenge to both suppliers of renewable diesel and customers requesting it. Shifts in product distribution is not simple and requires coordination at multiple levels to minimize impacts to both suppliers and customers. For example, today, the distribution of R99/R100 requires dedicated tankage to claim the fuel's environmental attribute, as demand for R99/R100 increases additional dedicated tankage and loading rack throughput will come from systems currently supplying petroleum fuels. This shift, from supplying petroleum fuels to renewable fuels within existing networks will take time and require thoughtful execution to minimize fuel supply disruptions.

If you have any questions about anything discussed here, feel free to reach out to me at bcmcdonald@marathonpetroleum.com

Sincerely,

Brian McDonald
Marathon Petroleum Corporation | Regulatory Affairs Advisor

[1] CARB ISOR, Table 7, page 53.
[2] *Id*
[3] *Id*