



THE PORT OF LOS ANGELES

AMERICA'S PORT®

MOTEMS UPDATE

Marine Oil Terminal Engineering and Maintenance Standards

Presented by:

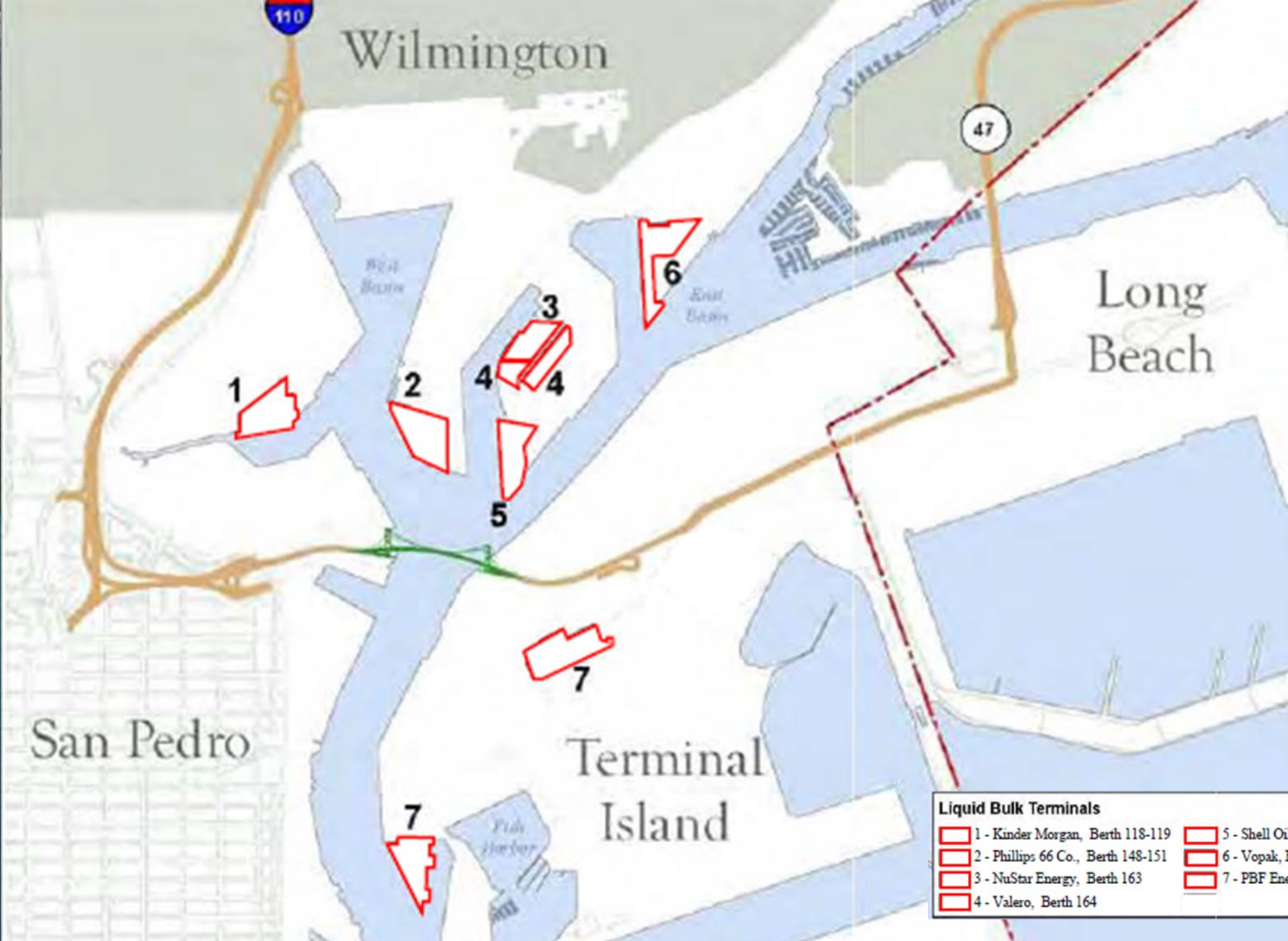
Michael Galvin

*Director, Waterfront & Commercial
Real Estate Division*

Presented to:

Board of Harbor Commissioners

April 24, 2025



Liquid Bulk Terminals

- | | |
|------------------------------------|-------------------------------|
| 1 - Kinder Morgan, Berth 118-119 | 5 - Shell Oil, Berths 167-169 |
| 2 - Phillips 66 Co., Berth 148-151 | 6 - Vopak, Berths 187-190 |
| 3 - NuStar Energy, Berth 163 | 7 - PBF Energy, Berth 238-239 |
| 4 - Valero, Berth 164 | |

POLA Marine Oil Terminals

Capacity, Business Structure, & Commercial Terms

- 7 marine oil terminals
- 154 million barrels per year throughput capacity
- 8.2 million barrels of storage in Port
- Tenants/Operators
 - 3 Proprietary Refiners (PBF, Phillips 66, Valero)
 - 4 Third-Party Logistics (Kinder Morgan, NuStar, Shell, Vopak)
- Revenue
 - Land Rent at 10% of market value
(Adjustments: Annual CPI & 5-year resets)
 - Wharfage
 - Dockage

Total Acres & Revenue

Acres

Marine Oil Tenants	Surface (sf)	Subsurface (sf)	Wharf /Water (sf)	Total SF	Total Acres
Total Acres	5,014,159	903,603	823,405	6,741,167	154.76

Revenue

Dockage, Wharfage & Land Rent by MOT	2021	2022	2023	2024
Total (Dockage, Wharfage & Land Rent)	\$ 31,149,317	\$ 32,261,343	\$ 32,946,526	\$ 35,015,371
POLA Total Operating Revenues	\$ 562,724,782	\$ 671,971,064	\$ 665,610,628	\$ 812,989,658
% of POLA Revenue	5.5%	4.8%	4.9%	4.3%

NEW PERMIT REQUIREMENTS

- **MOTEMS Investment Requirements:**
 - Marine Oil Terminal Engineering and Maintenance Standards
 - State building standards to protect public health, safety, environment
 - Capital upgrades to increase seismic capacity and reduce spill risks
 - Amortization of MOTEMS cost over long-term permit
- **Continue to Meet Regional Fuel Needs**
 - Fuel consumption of automobiles, trucks, equipment, airplanes, ships
 - Adoption of alternative-fuels that require marine oil terminals (MOT)
 - Working towards 100% ZE fuel future but many years to complete
- **Revenue and Investment Risk**
 - Remaining MOTs are required to take investment risk for upgrades

PERMITS / LEASES

	Permit #	Expiration	Term	Options	Expiration	CEQA/EIR
Kinder Morgan	708	4/13/2025	15 - 20 years	TBD	2045	TBD
Sunoco	712	Holdover	10 years	2 x Five years	2053	Completed
PBF Energy	936	7/1/2049	30 years	None	2049	Completed
Phillips 66	RP 92-24	Monthly	20 years	2 x Ten years	2063	3Q2025
Shell Oil	916	3/26/2049	30 years	None	2049	Completed
Valero	306	Holdover	10 years	2 x Five years	2053	Completed
Vopak	560	Holdover	10 years	2 x Ten years	2053	4Q2025

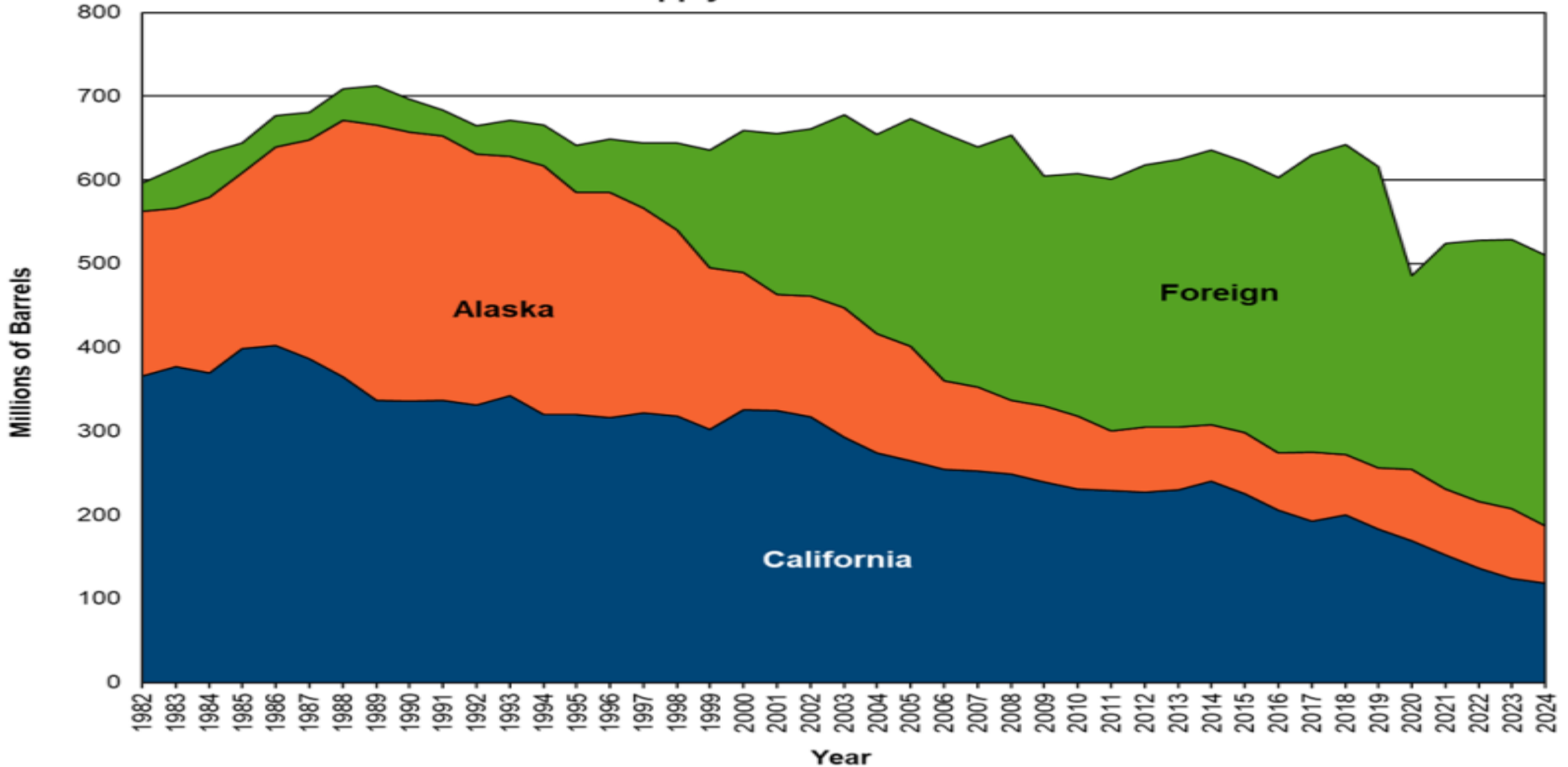
Concerns						
Remediation Clauses (Section 104)	Shell & PBF are fully responsible for all remediation. All others will have the same responsibilities in the new permit.					
Abandoned Pipelines	PBF is being charged for known abandoned pipelines ROWs until removed. All other to have similar requirements.					
Expansion of the oil terminals.	All MOT lacks expansion lands.					

Products & Annual Barrels Report

Products (in barrels)	2024	118	149	163	164	169	187	238	Month Totals
Crude Oil	Jan	332,686	712,253	474,219	401,721	731,983	1,805,116	552,681	5,010,659
Dark Oil	Feb	521,643	685,079	270,010	146,297	715,154	1,405,774	683,117	4,427,074
Gas Oil	March	351,880	722,234	448,607	866,621	1,328,749	1,920,284	380,013	6,018,388
Lube/base oil	April	633,343	774,750	258,228	1,038,395	706,710	1,553,341	459,350	5,424,117
MGO (marine gas oil)	May	710,793	773,008	321,511	503,543	852,648	778,648	377,831	4,317,982
Gasoline	June	354,200	517,655	266,976	339,009	834,999	1,380,230	896,201	4,589,270
Jet Fuel	July	561,522	822,137	321,496	82,700	812,954	1,771,554	413,693	4,786,056
JP5	August	518,902	757,836	249,886	276,556	798,191	1,899,197	507,651	5,008,219
Carb Diesel	Sept	414,441	671,731	243,057	869,282	421,493	1,690,340	438,758	4,749,102
Renewable Diesel	Oct	520,652	638,796	386,600	856,548	542,422	1,867,682	460,887	5,273,587
Mid-Barrel	Nov	101,896	611,729	246,124	346,036	765,376	1,472,525	199,189	3,742,875
Other Products / Misc.	Dec	824,820	584,401	425,897	252,265	905,895	2,196,916	210,101	5,400,295
LCO (a refinery feedstock)	Berth								
Naphtha	Totals	5,846,778	8,271,609	3,912,611	5,978,973	9,416,574	19,741,607	5,579,472	58,747,624
Blendstocks/Alkylate									
Sodium Hydroxide 50% Solution									

Oil Supply Sources to California Refineries

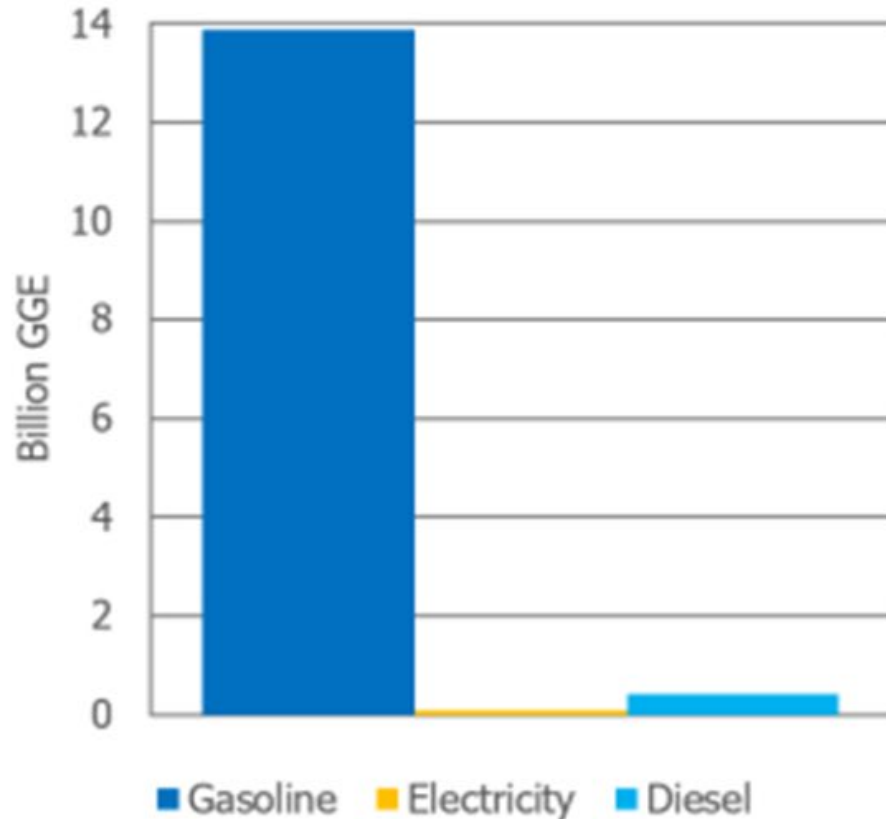
Crude Oil Supply Sources to California Refineries



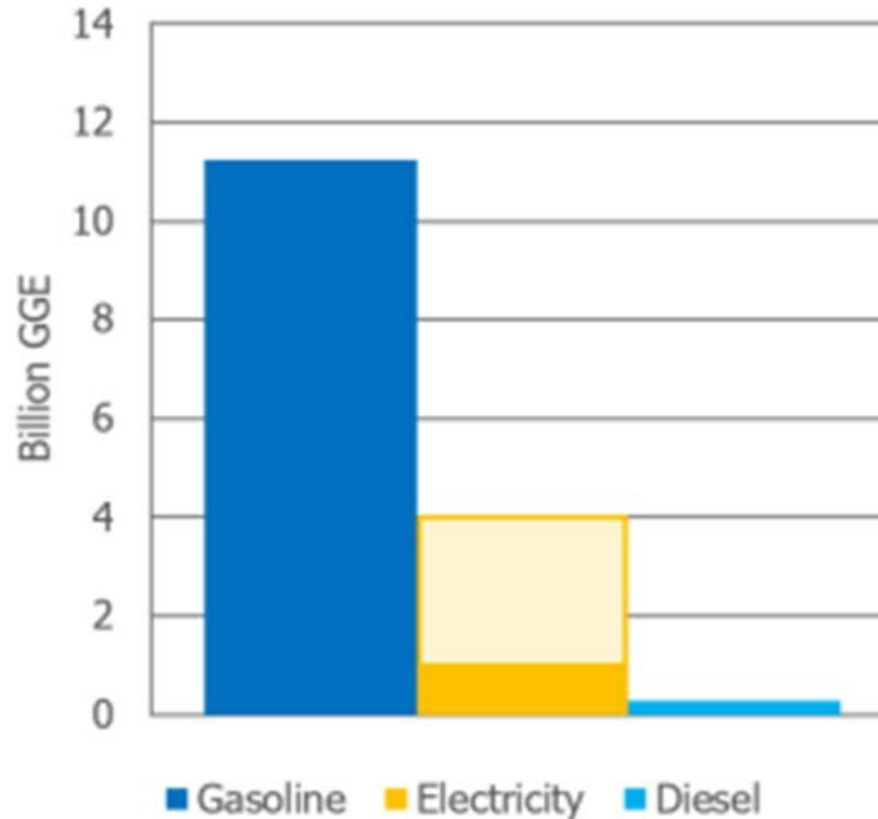
Gasoline Consumption Forecast in 2035

Source: California Energy Commission 2021 Integrated Energy Policy Report

2020 Fuel LDV Consumption, Billion Gasoline Gallon Equivalents

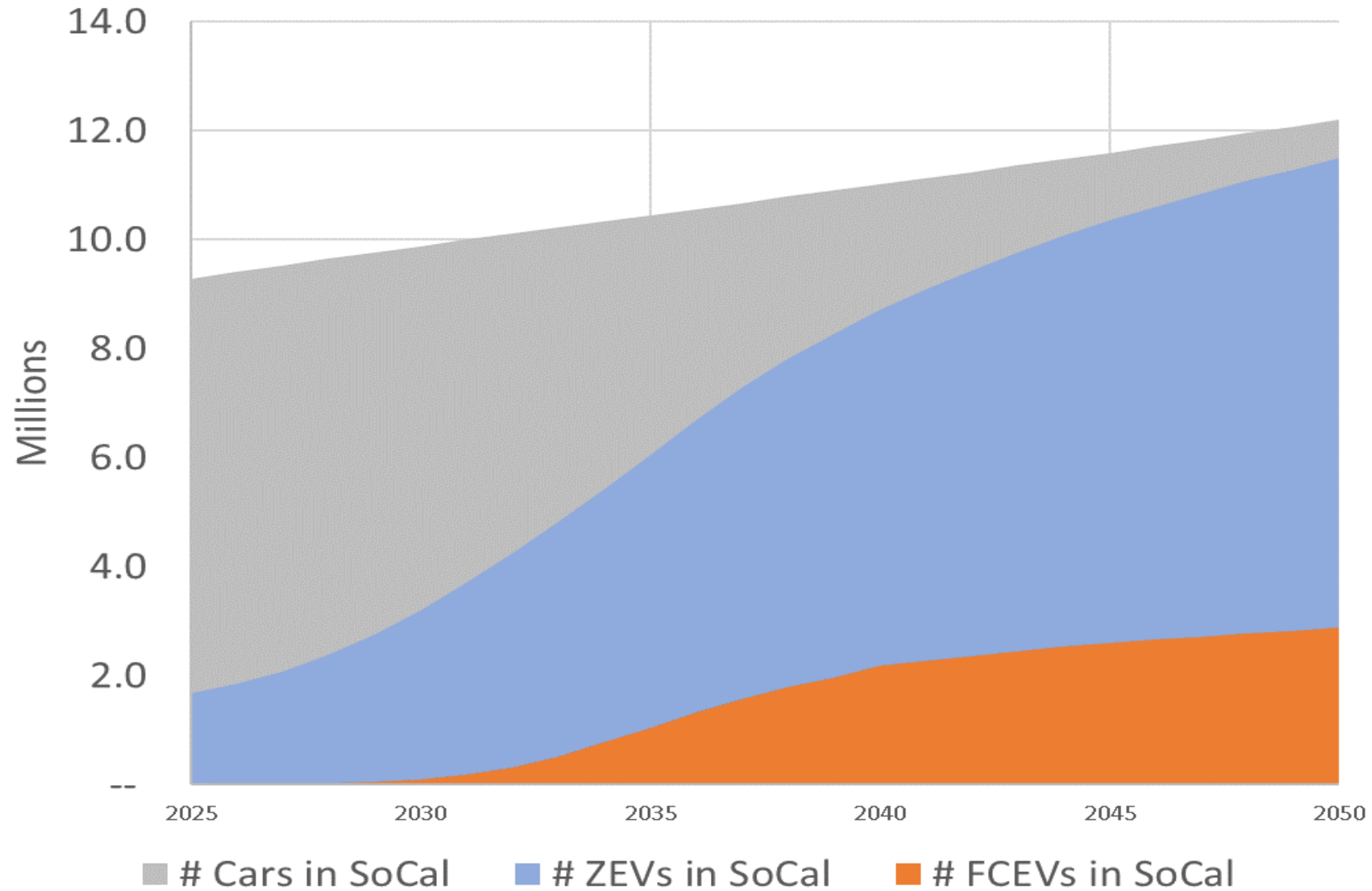


2035 Forecast High Case LDV Fuel Consumption, Billion Gasoline Gallon Equivalents



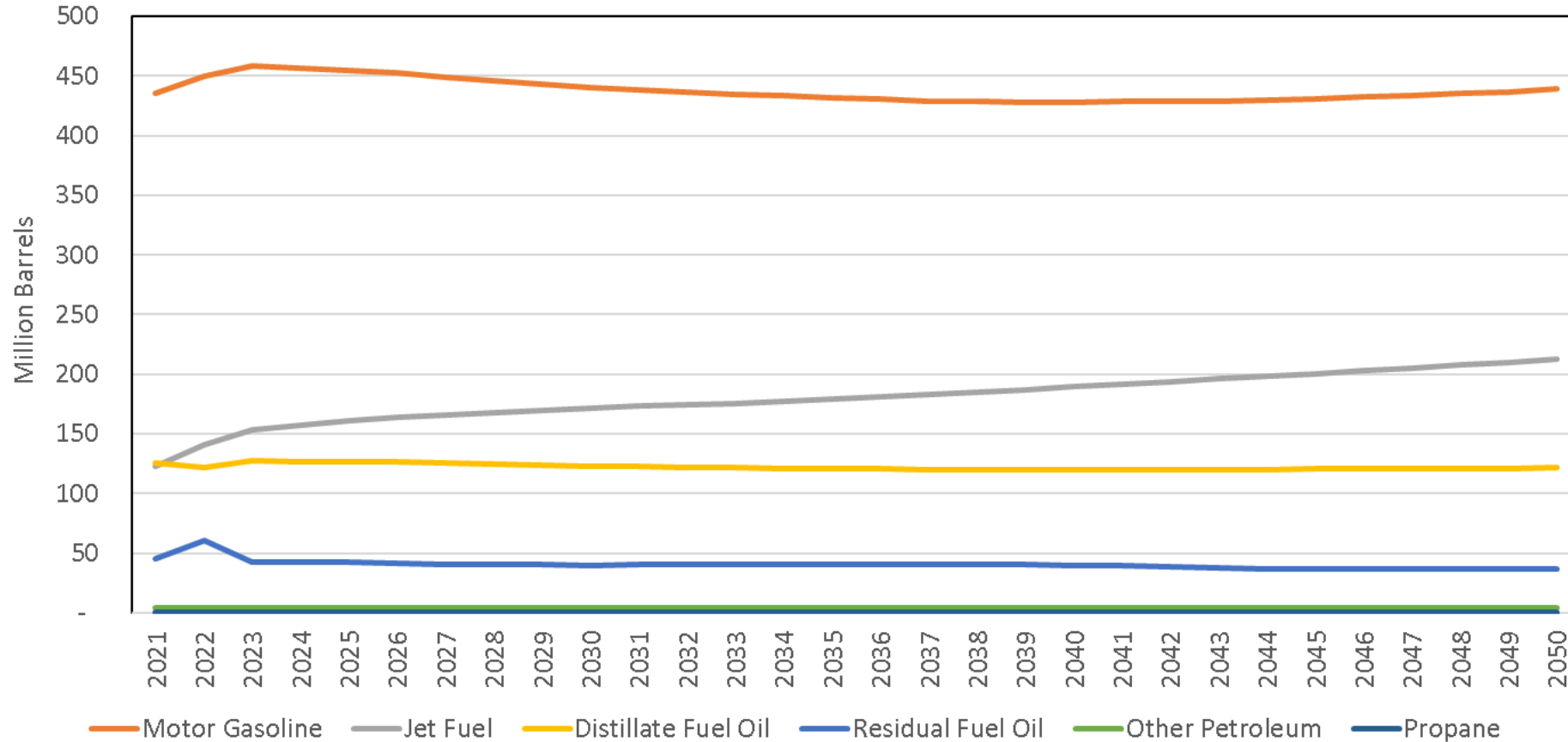
Traditional Engines Will Exist Past 2035

Forecasted # Of Vehicles In SoCal By Type | 2025-2050



Transportation Fuel Outlook, 2022-2050*

U.S. EIA Annual Energy Outlook 2022, Pacific Region
Transportation Energy Use by Source



* No new projections issued as of this presentation date.

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QUESTIONS

Thank You



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