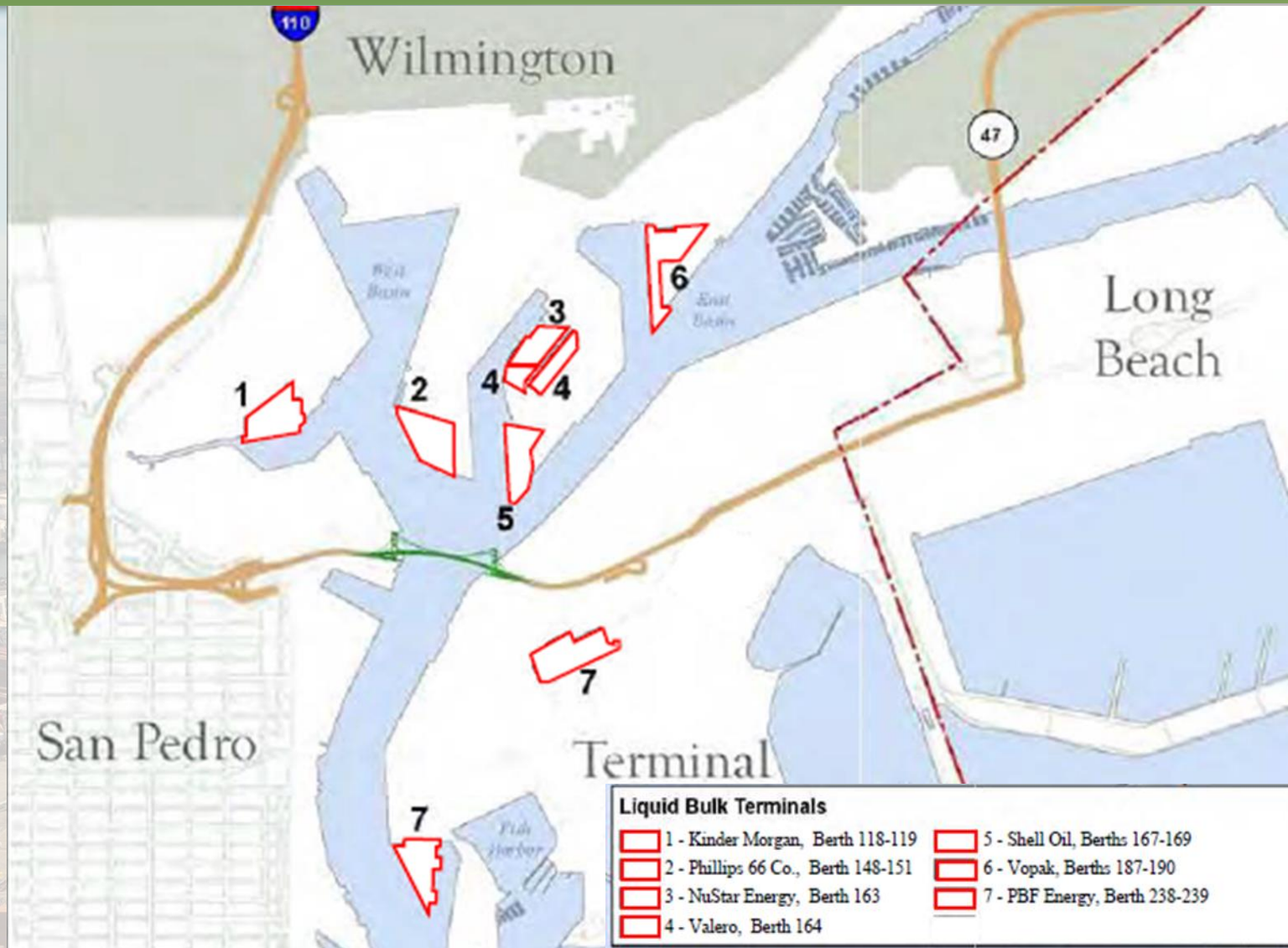


Marine Oil and Maintenance Standards (MOTEMS)



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

MOTEMS Summary

New Permits Required:

- MOTEMS Investment Requirements:
 - Marine Oil Terminal Engineering and Maintenance Standards
 - State building standards to protect public health, safety, environment
 - MOTEMS Code has no firm deadline for full compliance
 - 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

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

REVENUE	Calendar Year Basis						
	2017	2018	2019	2020	2021	2022	2023
Dockage, Wharfage & Land Rent							
Kinder Morgan	\$ 2,222,565	\$ 2,640,817	\$ 2,989,697	\$ 2,936,581	\$ 2,790,795	\$ 2,819,523	\$ 2,977,942
NuStar (Shore Terminals)	\$ 1,481,636	\$ 1,759,935	\$ 1,844,892	\$ 1,951,990	\$ 2,147,645	\$ 2,055,196	\$ 2,183,202
PBF Energy	\$ 6,330,810	\$ 6,234,351	\$ 5,614,028	\$ 7,297,781	\$ 7,669,350	\$ 7,982,252	\$ 8,467,952
Phillips 66	\$ 3,113,068	\$ 3,080,567	\$ 3,167,776	\$ 3,005,674	\$ 4,027,252	\$ 4,051,696	\$ 4,377,914
Shell Oil	\$ 3,859,565	\$ 3,482,494	\$ 4,537,014	\$ 3,553,543	\$ 3,329,441	\$ 2,826,273	\$ 3,136,527
Valero (Ultramar)	\$ 2,188,606	\$ 1,996,362	\$ 3,277,431	\$ 2,776,328	\$ 2,955,144	\$ 2,935,312	\$ 3,010,839
Vopak ¹	\$ 8,813,211	\$ 8,060,641	\$ 6,293,489	\$ 6,166,659	\$ 8,229,689	\$ 9,591,092	\$ 8,792,152
Total (Dockage, Wharfage & Land Rent)	\$ 28,009,462	\$ 27,255,168	\$ 27,724,327	\$ 27,688,556	\$ 31,149,317	\$ 32,261,343	\$ 32,946,526
POLA Total Operating Revenues	504,574,127	485,058,276	493,125,403	510,544,668	562,724,782	671,971,064	665,610,628
% of POLA Revenue	5.6%	5.6%	5.6%	5.4%	5.5%	4.8%	4.9%

¹ As per the 6th Amendment to Permit 560 with Vopak, wharfage was waived over a 30-month period from December 2018 - May 2021.

Products & Annual Barrels Report



Products (in barrels)

Crude Oil
Dark Oil
Gas Oil
Lube/base oil
MGO (marine gas oil)
Gasoline
Jet Fuel
JP5
Carb Diesel
Renewable Diesel
Mid-Barrel
Other Products / Misc.
LCO (a refinery feedstock)
Naphtha
Blendstocks/Alkylate
Sodium Hydroxide 50% Solution

Year	Barrel
2023 Barrel Report from Wharfingers	55,820,620
2022 Barrel Report from Wharfingers	64,079,865
2021 Barrel Report from Wharfingers	76,376,884
2020 Barrel Report from Wharfingers	73,017,182
2019 Barrel Report from Wharfingers	95,030,302
2018 Barrel Report from Wharfingers	91,557,828

In 2023, Vopak transitioned a significant amount of capacity from marine fuels to aviation fuel resulting in some tanks being taken out of service for some time. Vopak's Volume decreased by 11,433,667 barrels in 2023. A return to normal is expected in 2024.

PERMITS / LEASES



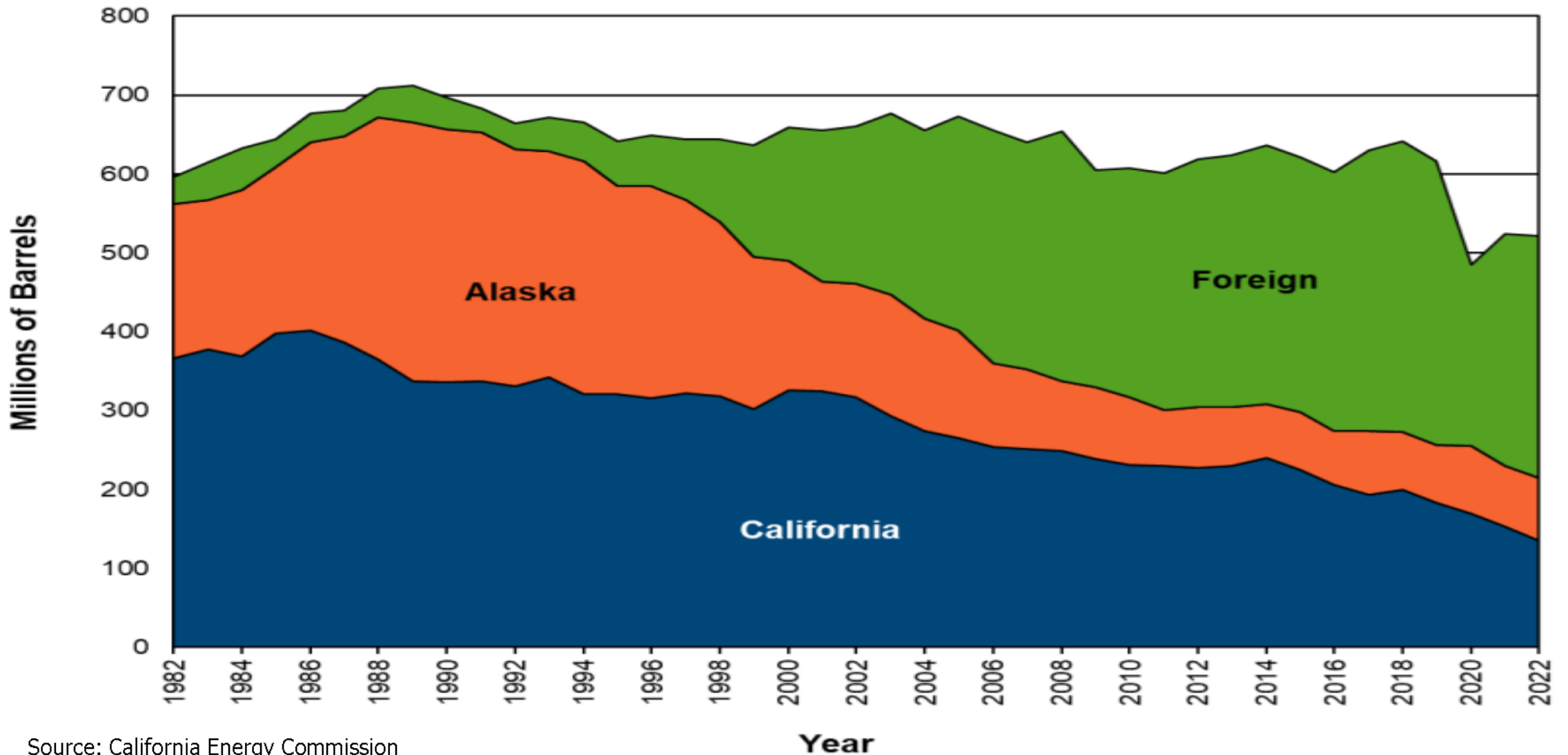
	Permit #	Expiration	Proposed Term	Options	Expiration	CEQA/EIR
Kinder Morgan	708	4/13/2025	15 - 20 years	TBD	2045	TBD
NuStar ¹	712	Holdover	10-20 years	2 x Five years	2054	Completed
PBF Energy	936	7/1/2049	30 years	None	2049	Completed
Phillips 66	RP 92-24	Monthly	20 years	2 x Ten years	2064	3Q2024
Shell Oil	916	3/26/2049	30 years	None	2049	Completed
Valero ¹	306	Holdover	10-20 years	2 x Five years	2054	Completed
Vopak	560	Holdover	10-30 years	2 x Ten years	2054	4Q2024

¹ NuStar & Valero also has a 5-year construction term and 5-year restoration term for maximum term of 30-years.

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.

Oil Supply Sources to California Refineries

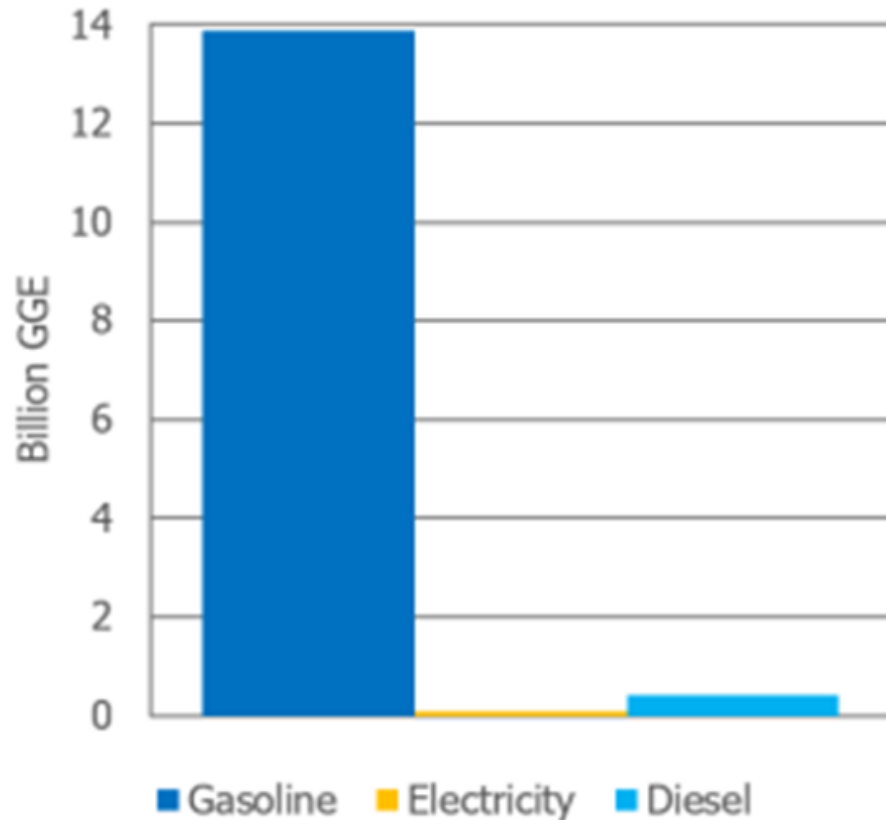


Source: California Energy Commission

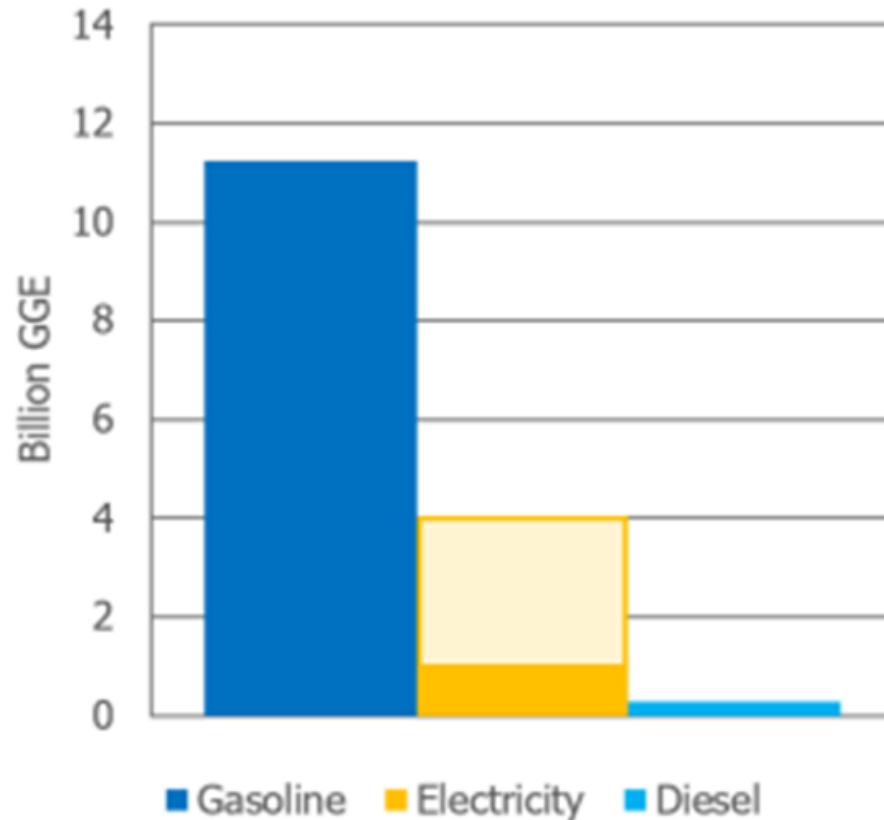
Gasoline Consumption Forecast in 2035

Source: California Energy Commission 2021 Integrated Energy Policy Report

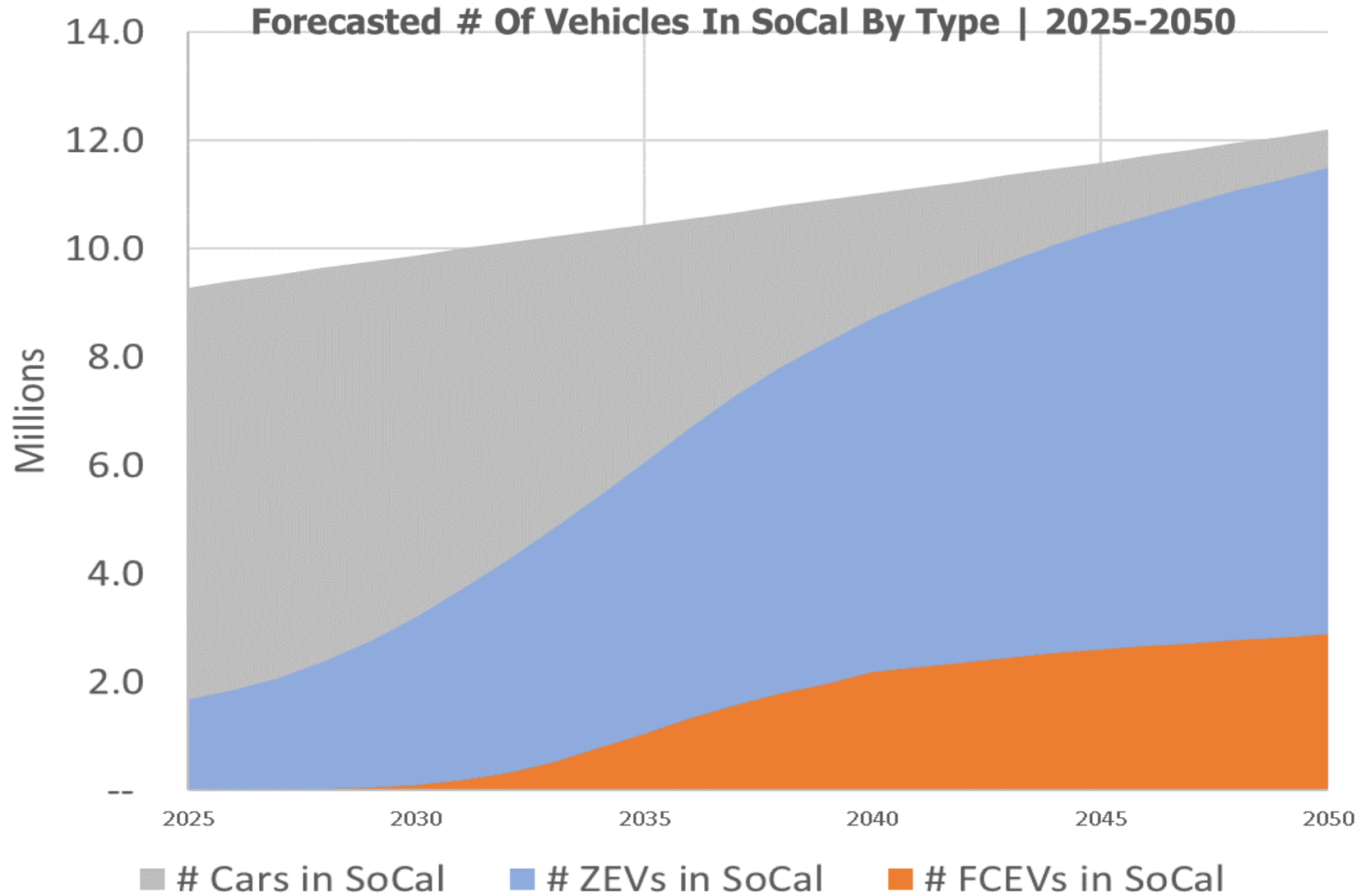
2020 Fuel LDV Consumption, Billion Gasoline Gallon Equivalents



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

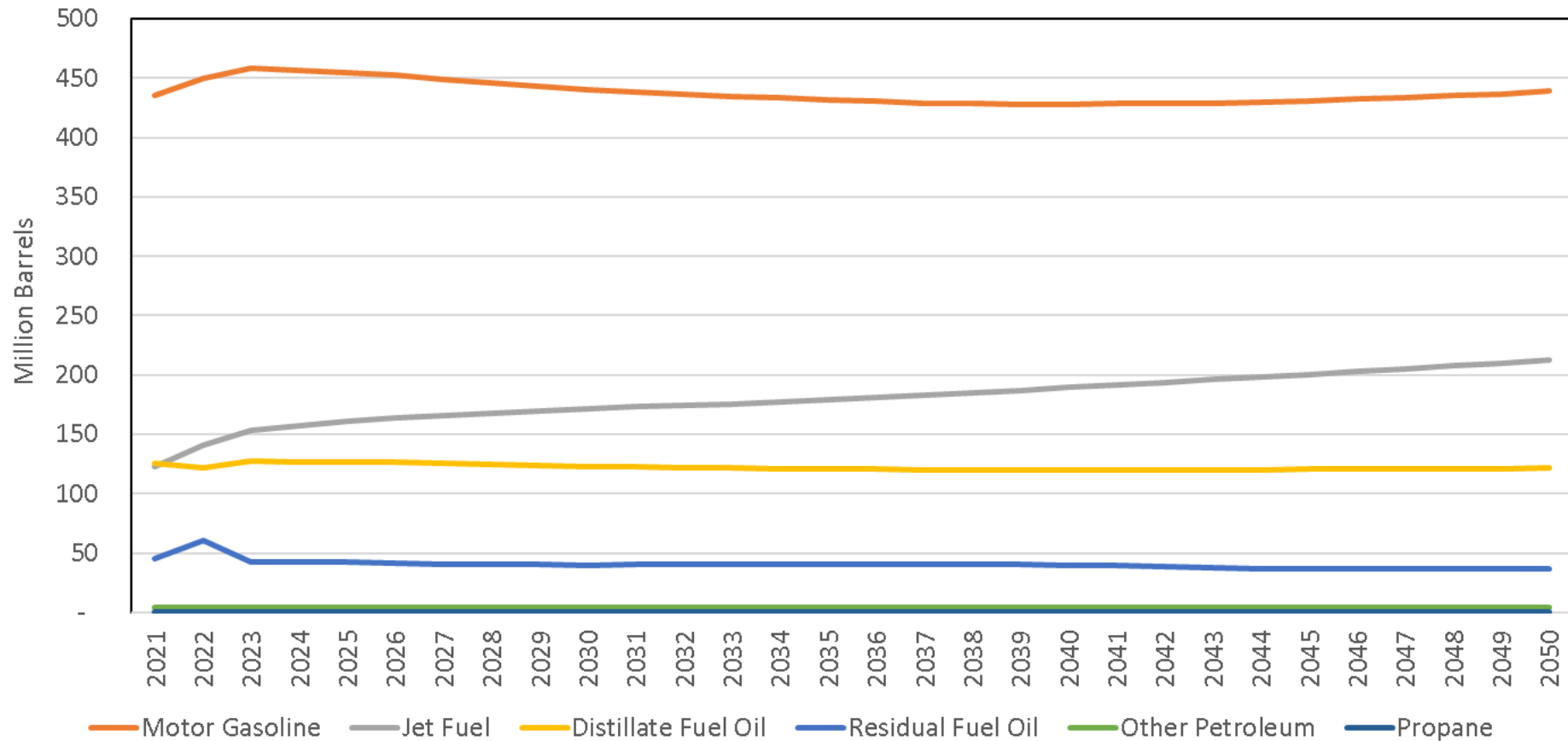


Traditional Engines Will Exist Past 2035



Transportation Fuel Outlook, 2022-2050

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



Questions

