BAE Systems
San Diego Ship Repair
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Foot of Sampson Street
San Diego, California 92113
619-238-1000

BAE SYSTEMS

January 5, 2010

James N. Goldstene
Executive Officer
California Air Resources Board
1001 "I" Street
PO Box 2815
Sacramento, CA 95812

RE: Modifications to the PERP

Dear Mr. Goldstene,

BAE Systems San Diego Ship Repair Inc. (BAE Systems) appreciates the work Air Resources Board (ARB) staff has done regarding modifications to the Portable Equipment Registration Program (PERP) and would like to take this opportunity to provide additional comments. BAE Systems is commenting on Section 2459(d) to which staff has not currently proposed any modifications, but the current language makes PERP compliance difficult for BAE Systems. BAE Systems respectfully submits the below comments and requests their consideration in adoption of the final rule.

Section 2459(d) Notifications states the following:

"For STW projects, the owner or operator of a registered engine or registered equipment unit shall notify the corresponding onshore district in writing, in a format approved by the Executive Officer at least 14 days in advance of commencing operations in that district. The notification shall include all of the following:

(1) the registration number of the registered engine or equipment unit;
(2) the name and phone number of the responsible official with information concerning the locations where the registered engine or equipment unit will be operated within the district;
(3) estimated time the registered engine(s) or equipment unit(s) will be located in the district; and
(4) calculations showing the estimation of actual emissions expected for the project."

The issue is that with current business practices it is very difficult for BAE Systems to comply with the PERP required 14-day notification because BAE Systems uses rental engines and does not know 14-days in advance exactly what engines will be used. BAE Systems repairs Navy

ships and operates two floating drydocks. Usually when a ship is docked or undocked from one of the drydocks, the ship is not under its own power, so a PERP generator and fire pump must be used during the transit from drydock to Pier. The generator is operated during the undocking/docking evolution and while the ship is underway to or from the Naval Base. This operation is entirely within San Diego Bay. At most, the generator engine may operate 10 hours. The fire pump is there only to be used in an emergency and is operated for about 30 minutes solely for testing purposes. BAE Systems rents a PERP registered generator and fire pump from local companies, but because of the short duration for which the engines are utilized, the rental companies cannot guarantee exactly which engine they will provide 14 days in advance of the docking/undocking. As a company practice, BAE Systems always ensures, at a minimum, that the engine meets Tier 1 standards. The San Diego APCD has always granted the operation of these engines in STW without requiring ERCs or a local permit.

BAE Systems proposes to modify the PERP language in this section so that a 14-day advance notice is not required when a Tier 1 or cleaner engine is used in State Territorial Waters for docking or undocking a vessel or transition from a pier or drydock to another pier or drydock. Please contact Cara Bandera, Environmental Supervisor at (619) 238-1000 ext. 2057 or Cara.Bandera@baesystems.com or myself to further discuss.

Sincerely,

Sandor Halvax
Director Environmental Services
BAE Systems San Diego Ship Repair Inc.
(619) 238-1000 ext. 2060