



**Pacific Gas and  
Electric Company™**

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October 16, 2007

Mary Nichols, Chairman  
California Air Resources Board  
1001 "I" Street  
P.O. Box 2815  
Sacramento, California 95812

Tom Cackette  
Acting Executive Officer  
California Air Resources Board  
1001 "I" Street  
P.O. Box 2815  
Sacramento, California 95812

RE: Draft At-Berth Ocean Going Vessel Regulation

Dear Ms. Nichols and Mr. Cackette:

Pacific Gas and Electric Company appreciates the opportunity to comment on this important regulation. PG&E has been helping operators at the Port of Oakland use natural gas, instead of diesel, to reduce toxic emissions exposure to the West Oakland community.

PG&E has been an important part of the effort to use liquefied natural gas for mobile shore-side power generators developed by Wittmar Cold Ironing and we believe this system offers many benefits to the Port of Oakland and West Oakland community. A demonstration completed on July 18<sup>th</sup> of this year, on the 800 foot container ship APL China, reduced NOx emissions 89%, PM10 99%, SOx 100% and CO2 50%.

The Port of Oakland has made it clear that they cannot afford to pay for grid extensions, estimated at \$90 million, and prefer the Wittmar system. Under the right conditions the Port of Oakland could cold iron every ship call with the Wittmar system by 2010.

This regulation should be re-written to provide equitable treatment for all port business. The current draft regulation has different requirements, including different compliance dates, for those choosing grid power and those choosing an alternative such as the Wittmar system. It is our strong opinion that this regulation, as written, does not create a level playing field, and in fact disadvantages ports like Oakland that are in position to reduce emissions sooner.

For example, under the current draft, if a port wants to use grid power it is required to reduce emissions 50% by 2014. If a port chooses an alternative it is required to reduce emissions by 20% in 2010 and by 2014 it would be required to reduce emissions by 60%. This arrangement discourages and penalizes early action.

Also, under the current draft regulation, ship "fleets" calling less than 25 times in a year are exempt from the regulation. "Fleets," for the purpose of this regulation, are specific to the port visited (LA and Long Beach are considered one port), not the shipping company and therefore could create a problem for the smaller ports like Oakland. A shipping company could choose to visit Oakland less often, in order to be exempt from the regulation while visiting that port.

The regulation should also be flexible. If the requirement is 50% in 2014, for example, there should not be a prescription requiring half the ship visits to shut off their engines completely. It should be open to, for example, shutting off 50% of the engines all the time or some combination that achieves the desired results.

We do not agree with staff interpretation that the Wittmar System generator is "distributed generation" for the purposes of this regulation. The Wittmar generator is already registered in and in full compliance with CARB's Portable Equipment Registration Program (PERP). If classified as distributed generation, the Wittmar System generator is subject to unreasonable emission levels for a mobile application and has a negative effect on its mobility.


PG&E proposes that the following concepts be included in the regulation and that they apply to container and refrigerated cargo ships:

- Create a level playing field by requiring all ships reduce auxiliary engine emissions 20% by 2010.
- Discourage gaming by changing the definition of "fleet" for purposes of exemption from this regulation, to be all ships in the company fleet visiting any California port.
- Ensure flexibility by not prescribing how the emission reductions are achieved.
- Classify the Wittmar System generator as PERP equipment.

We believe this approach will be equitable to all ports and shipping lines while providing incentives to achieve additional reductions.

Thank you for the opportunity to comment.

Sincerely,



Mark Krausse

cc: Ms. Linda Adams, California Secretary for Environmental Protection  
Mr. Daniel Sperling, CARB Board Member  
Mr. Jerry Hill, CARB Board Member  
Ms. Dorene D'Adamo, CARB Board Member  
Ms. Barbara Riordan, CARB Board Member  
Ms. Lydia H. Kennard, CARB Board Member  
Ms. Sandra Berg, CARB Board Member  
Mr. Ron Roberts, CARB Board Member  
Ms. Judy Case, CARB Board Member  
Mr. Ronald O. Loveridge, CARB Board Member

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