

April 23, 2018

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

Submitted via e-mail to <http://www.arb.ca.gov/lispub/comm/bclist.php>

Subject: Comments on the Proposed Amendments to the Low Carbon Fuel Standard Regulation (LCFS18)

Maersk Line and our sister company APM Terminals appreciate this opportunity to comment on the Proposed Amendments to the Low Carbon Fuel Standard (LCFS) Regulation. We request that these amendments include opt-in credit generating pathways for the following:

1. Ocean-going vessels (OGV) using shore power from the shore-side electrical grid in lieu of operating auxiliary engines while at berth.
2. Use of alternative or renewable fuels by OGV at berth or in the California fuel zone, and consideration of mechanisms for credit for vessel energy efficiency projects.
3. Electrification (full or partial) of Cargo Handling Equipment (CHE) or use of alternative fuels that provide a greenhouse gas benefit as compared to traditional petroleum-based diesel.

We understand that these pathways would be voluntary measures. Providing such pathways would provide the following benefits:

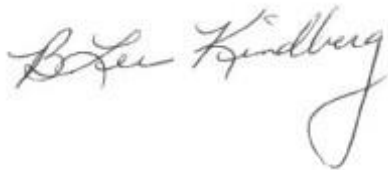
- Co-benefits of all three options listed would include reduction of toxic air emissions such as NO_x, SO_x, and Diesel PM, and in some cases CO and other toxics.
- A LCFS credit pathway would encourage accelerated or surplus compliance in programs intended to reduce toxic emissions.

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- Such a pathway would provide a strong incentive to use low-carbon pathways to comply with other California regulations. For example, such LCFS credits could encourage investments to enable the use of shore-side electricity rather than stack gas treatment systems to comply with the California At Berth Regulation. While stack gas treatment systems remove toxics as required by this regulation, use of these systems actually increases CO₂ emissions vs. the vessel's auxiliary engines alone. Availability of LCFS credits would influence such investment decisions in favor of the lower CO₂ approach.

Thank you again for the opportunity to provide this input.

We are available to answer and any questions that might arise, or meet with staff to explore options to define such credit pathways.

Sincerely,



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