Comments by Maersk Line to the California Air Resources Board

In Response to OGV11

Notice of Public Availability of Modified Text for Amendments to the Regulations for Fuel Sulfur and other Operational Requirements for Ocean-Going Vessels Within California Waters and 24 Nautical Miles of the California Baseline

Aug. 9, 2011

RE: Support for OGV Fuel Rule Modifications and Future Considerations

Maersk Line appreciates this opportunity to provide comments on the modifications to the OGV Fuel Rule. We appreciate and support CARB's efforts to find a workable solution to balance the US Navy's concerns about use of the missile range, the need to achieve air quality goals, and also consider industry operational and cost impacts.

Maersk Line vessels have been switching fuels for over five years, starting in March 2006 in Los Angeles. The program has been expanded since then to include five US and Canadian ports as well as Hong Kong, New Zealand and Singapore.

Our experience clearly demonstrates that simplicity and alignment with international standards are highly desirable for achieving the best results and avoiding confusion on requirements. Simplicity and clarity of fuel requirements are especially helpful during vessel redeployments and ensuring that first-time callers have the right fuels and know when and where to use them.

Thus we strongly support the plan to better align the timing of the lower sulfur phase of the California OGV fuel rule with the upcoming North American ECA. We hope that future studies will allow even more alignment, moving the 0.1%S fuel requirement to January 2015 (aligned with the ECA) rather than 2014, as currently approved.

Until the OGV fuel rule and the ECA requirements are fully aligned, vessels visiting California must carry 3 different fuels (Ocean, ECA & CA), increasing costs and reducing tankage available for each grade. Thus having a single fuel standard that aligns with the international standards and the North American ECA is highly preferable. Ideally, the CARB OGV and ECA requirements for 0.1% sulfur fuel would become effective on the same date -- January 1, 2015.

For future evaluations, we also note that the emissions reductions achieved by the OGV Fuel program are probably better than has been calculated. Our understanding is that the emissions inventories include only the reductions due to low sulfur fuel use within the 24nm zone. This does not take credit for the reductions outside the zone and during the transitions. This transition lasts from 45 min to several hours, and must be completed before entering the 24nm zone, and initiated only after leaving the zone.

Thank you again for this opportunity to provide input. Please feel free to call on us if we can assist you or provide further information on our fuel switch programs or other issues.

Sincerely,

Lee Kindberg, Ph.D.

Director, Environment & Sustainability, North America