

State of California  
Air Resources Board

Executive Order G-09-027

Relating to Essential Modifications Exemption under California Code of Regulations,  
title 13, section 2299.2(g) and title 17, section 93118.2(g)

**Eletson Corporation with Transmarine Navigation Corporation as Agents**

WHEREAS, pursuant to sections 39600, 39601, 41510, 41511, 43013, and 43018 of the Health and Safety Code, the California Air Resources Board (ARB) has established requirements for ocean-going vessels (OGV) to use marine gas oil (DMX or DMA grades) or marine diesel oil (DMB grades) at specified sulfur limits in the main engine, auxiliary engines, and auxiliary boilers within a 24 nautical mile zone of the California Coastline; these requirements are found at California Code of Regulations (CCR), title 13, section 2299.2 and title 17, section 93118.2 (OGV Fuel Regulation);

WHEREAS, subdivision (g) of the OGV Fuel Regulation authorizes the Executive Officer to provide an exemption in whole or part from using the specified fuels provided that a person submits an Essential Modification Report that, among other things:

- (1) includes information demonstrating to the Executive Officer's satisfaction that modifications to the OGV are necessary for the use of the specified fuels; and
- (2) identifies the maximum extent with respect to trip distance or regulated equipment type to which the vessel can use the fuels without essential modifications where feasible and safe for each of the auxiliary engines, main engines, and auxiliary boilers;

WHEREAS, Eletson Corporation submitted Essential Modification Reports dated June 10, 2009 and additional materials subsequently provided between June 10, 2009 and August 11, 2009 requesting essential modification exemptions for the auxiliary boilers listed in Table 1 based on the company's belief that modifications are necessary to use the fuels specified in the OGV Fuel Regulation in those boilers;

**Table 1: Vessels and Auxiliary Boiler Information**

Owner / Operator	Ship Name	IMO	Auxiliary Boiler Make and Model
Eletson	Agathonissos	9232448	Aalborg Sunrod KK Mission OM 25000
Eletson	Alkyonis	9031959	Sunrod International AB CPH-20
Eletson	Alonissos	9250531	Aalborg Sunrod KK Mission OM 25000
Eletson	Angistri	9176773	Aalborg Sunrod KK Mission TM OL 25000
Eletson	Antikeros	9281853	Aalborg Sunrod KK AQ-18
Eletson	Argironissos	8917455	Gadelious Marine K Engineering Services CPH-100 and CPH-200
Eletson	Dhonoussa	9306562	Aalborg Sunrod KK AQ-18
Eletson	Erikoussa	9254850	Aalborg Industries Mission OM 20000
Eletson	Folegandros	8917467	Gadelious Marine K Engineering Services CPH-100 and CPH-200
Eletson	Kandilousa	9081813	ABB Sunrod AB CPH-16-2
Eletson	Kastelorizo	8909472	Gadelious Marine K Engineering Services CPH-100 and CPH-200
Eletson	Kinaros	9405538	Aalborg Mission TM OL 18000
Eletson	Makronissos	9232450	Aalborg Sunrod KK Mission OM 25000
Eletson	Megalonissos	9250543	Aalborg Sunrod KK Mission OM 25000
Eletson	Pelagos	9176761	Aalborg Sunrod KK Mission TM OL 25000
Eletson	Polyaigos	9306574	Aalborg Sunrod KK AQ-18
Eletson	Salamina	8909460	Gadelious Marine K Engineering Services CPH-100 and CPH-200
Eletson	Serifopoulo	9081825	ABB Sunrod AB CPH-16-2
Eletson	Serifos	9081837	ABB Sunrod AB CPH-16-2
Eletson	Skiropoula	9053127	Chernomorskiy Nikolaev's Shipyard KB-2
Eletson	Skopelos	9254862	Aalborg Industries Mission TM OM 20000
Eletson	Sporades	9035137	Sunrod International AB CPH-20
Eletson	Stavronisi	9074585	Chernomorskiy Nikolaev's Shipyard KB-2
Eletson	Strofades	9319545	Aalborg Sunrod KK AQ-18
Eletson	Velopoula	9031961	Sunrod International AB CPH-20

WHEREAS, the Eletson Corporation also requested additional exemptions to cover composite-type auxiliary boilers and main engines on the same vessels;

WHEREAS, ARB has reviewed the Essential Modification Reports and additional supporting materials provided by Eletson Corporation and determined that the submissions satisfactorily demonstrate that essential modifications are necessary for the auxiliary boilers listed in Table 1 on the vessels listed in Table 1 to fully comply with the fuel use requirements in the OGV Fuel Regulation;

WHEREAS, based on the determinations described above, the vessels listed in Table 1 qualify for an essential modification exemption for the auxiliary boilers identified in Table 1;

WHEREAS, ARB also determined after its review of the Essential Modification Reports and other submitted materials that Eletson Corporation has failed to satisfactorily demonstrate that modifications are necessary for use of the specified fuels in the composite-type auxiliary boilers and main engines of these vessels, and has set forth the basis for this determination in a separate letter to the company;

NOW, THEREFORE, IT IS ORDERED, Eletson Corporation is granted an exemption from the fuel use specifications set forth in subdivision (e)(1) and from the recordkeeping, reporting and monitoring requirements in subdivision (e)(2) of the OGV Fuel Regulation for the auxiliary boilers listed in Table 1 on the vessels listed in Table 1, subject to the limitations and conditions in this order and the OGV Fuel Regulation;

BE IT FURTHER ORDERED, Eletson Corporation shall comply with the OGV Fuel Regulation, including but not limited to the fuel specifications set forth in subdivision (e)(1) and the recordkeeping, reporting and monitoring requirements in subdivision (e)(2), in operation of the vessels' main engines, auxiliary engines and composite-type auxiliary boilers that are not identified in Table 1;

BE IT FURTHER ORDERED, that if the OGV Fuel Regulation is amended to modify any provisions relating to the essential modification exemption, the Executive Officer may revoke or modify this essential modification exemption as necessary to bring it into conformance with the revised regulation;

BE IT FURTHER ORDERED, if the Executive Officer issues written findings that federal requirements are in place that will achieve equivalent emissions reductions within the Regulated California Waters pursuant to subdivision (j) of the OGV Fuel Regulation, the Executive Officer shall revoke this exemption upon notice to Eletson Corporation;

BE IT FURTHER ORDERED, if the Executive Officer determines that the essential modification exemption is no longer warranted, the Executive Officer may modify or revoke this exemption after providing 30 days written notice to Eletson Corporation of its intent to modify or revoke the exemption;

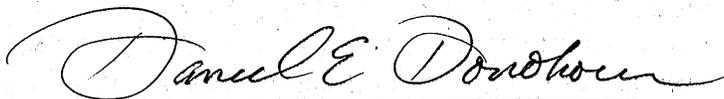
BE IT FURTHER ORDERED, if the essential modifications that are the basis for this exemption are made voluntarily, or due to other regulatory requirements, or for other reasons, then this exemption terminates and the auxiliary boilers listed in Table 1 on the vessels listed in Table 1 must use the required fuels while in Regulated California Waters, and Eletson Corporation must provide ARB with immediate written notification that the modifications have been made;

BE IT FURTHER ORDERED, the Executive Officer encourages Eletson Corporation to voluntarily make the essential modifications that would allow the auxiliary boilers listed in Table 1 to use the specified fuels in the OGV Fuel Regulation while in California Regulated Waters to benefit the health and welfare of California's citizens.

Executed at Sacramento, California this 30 day of September 2009

James N. Goldstene  
Executive Officer

by



Daniel E. Donohue, Chief  
Emissions Assessment Branch  
Stationary Source Division