State of California
Air Resources Board

Executive Order G-09-108

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

Pioneer Ship Management Services, LLC

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: (1) includes information demonstrating it is not feasible to use the specified fuels unless essential modifications to the OGV are made; 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, Pioneer Ship Management Services, LLC submitted an Essential Modification Report dated July 20, 2009, and additional materials subsequently provided on October 26, 2009 and December 9, 2009, requesting essential modification exemptions for the following vessels and equipment listed in Table 1;

Table 1. Vessel and Auxiliary Boiler Information

Owner/Operator	Ship Name	IMO	Auxiliary Boiler Make and Model	Quantity
Pioneer Ship Management Services, LLC	Pacific Galaxy	9397793	Aalborg Mission TM OL	2
Pioneer Ship Management Services, LLC	Caribbean Galaxy	9397808	Aalborg Mission TM OL	2
Pioneer Ship Management Services, LLC	Kilakarai Star	9400837	Muira HB-15T	1

WHEREAS, the Essential Modification Report states that the aforementioned vessels could not use the fuels specified in the OGV Fuel Regulation in the auxiliary boilers as listed in Table 1 without essential modifications;

WHEREAS, Pioneer Ship Management Services, LLC stated it is planning on making the modifications to the vessels listed in Table 1 to enable the vessels to use the required fuels in the auxiliary boilers;

WHEREAS, ARB has reviewed the Essential Modification Report and additional supporting materials provided by Pioneer Ship Management Services, LLC, and determined that the submissions satisfactorily demonstrate that essential modifications are necessary for the auxiliary boilers 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;

NOW, THEREFORE, IT IS ORDERED, Pioneer Ship Management Services, LLC, 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 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, the vessels listed in Table 1 shall comply with the fuel specifications set forth in subdivision (e)(1) and the recordkeeping, reporting and monitoring requirements in subdivision (e)(2) of the OGV Fuel Regulation for the main engines and auxiliary engines in the vessels listed 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 Pioneer Ship Management Services, LLC;

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 Pioneer Ship Management Services, LLC, 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 on the vessels listed in Table 1 must use the required fuels while in Regulated California Waters, and

Pioneer Ship Management Services, LLC must provide ARB with immediate written notification that modifications have been made;

BE IT FURTHER ORDERED, the Executive Officer encourages Pioneer Ship Management Services, LLC to voluntarily make the essential modifications noted above to the vessels listed in Table 1 and 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 25 day of January, 2010

James N. Goldstene
Executive Officer

by

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