

State of California
Air Resources Board

Executive Order (G-09-060)

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

Valles Steamship (Canada) Ltd.

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, Valles Steamship (Canada) Ltd. submitted an Essential Modification Report dated July 20, 2009 and additional materials on August 26, 2009, requesting an essential modification exemption for the following vessel and equipment listed in Table 1;

Table 1. Vessel and Auxiliary Boiler Information

Owner	Ship Name	IMO	Auxiliary Boiler Make and Model	Quantity
Valles Steamship (Canada) Ltd.	Seaservice	9197131	Mitsubishi MAC -55B	1

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

WHEREAS, Valles Steamship (Canada) Ltd. stated it is planning on making the modifications to the M.T. Seaservice to enable the vessel to use the required fuels in the auxiliary boiler;

WHEREAS, ARB has reviewed the Essential Modification Report and additional supporting materials provided by Valles Steamship (Canada) Ltd., and determined that the submission satisfactorily demonstrate that essential modifications are necessary for the auxiliary boiler on the M.T. Seaservice to fully comply with the fuel use requirements in the OGV Fuel Regulation;

WHEREAS, based on the determinations described above, the M.T. Seaservice qualifies for an essential modification exemption for the auxiliary boiler;

NOW, THEREFORE, IT IS ORDERED, Valles Steamship (Canada) Ltd., 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 boiler on the M.T. Seaservice, subject to the limitations and conditions in this order and the OGV Fuel Regulation;

BE IT FURTHER ORDERED, the M.T. Seaservice 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 vessel;

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 Valles Steamship (Canada) Ltd.;

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 Valles Steamship (Canada) Ltd. 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 M.T Seaservice must use the required fuels while in Regulated California Waters, and Valles Steamship (Canada) Ltd. must provide ARB with immediate written notification that modifications have been made;

BE IT FURTHER ORDERED, the Executive Officer encourages Valles Steamship (Canada) Ltd. 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 9th day of September, 2009

James N. Goldstene
Executive Officer

by

Robert Fletcher for

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