

State of California
Air Resources Board

Executive Order (G-09-051)
(REPLACES EXECUTIVE ORDER G-09-023)

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

Varun Shipping Company 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, Varun Shipping Company, Ltd. submitted Essential Modification Reports dated July 8, 2009 and subsequent materials on July 16, 2009 and July 21, 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
Varun Shipping Co. Ltd.	Amba Bhavanees	9265641	Mitsubishi Heavy Industry MAC-25B	2
Varun Shipping Co. Ltd.	Amba Bhakti	9144770	Mitsubishi Heavy Industry MAC-45B	1
Varun Shipping Co. Ltd.	Amba Bhargavi	9299721	Aalborg Industries Mission OL 25000	2

WHEREAS, the Essential Modification Reports state 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, Varun Shipping Company, Ltd. 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 Reports and additional supporting materials provided by Varun Shipping Company, Ltd., 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;

WHEREAS, ARB previously issued Executive Order G-09-023 to Varun Shipping Company based on the company's Essential Modifications Reports, but subsequently learned the earlier order contained an error in the number of boilers for one of the affected vessels;

NOW, THEREFORE, IT IS ORDERED, Varun Shipping Company, 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 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 Executive Order G-09-023 previously issued to Varun Shipping Company, Ltd. is now revoked;

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 Varun Shipping Company, 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 Varun Shipping Company, Ltd. of its intent to modify or revoke the exemption;

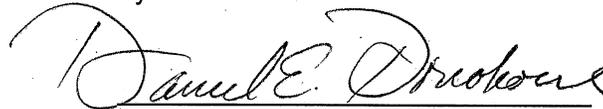
BE IT FURTHER ORDERED, if the essential modifications that are the basis for this exemption are made voluntarily, or due to other regulatory requirements, or for other reasons, then this exemption terminates and the auxiliary boilers on the vessels listed in Table 1 must use the required fuels while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

BE IT FURTHER ORDERED, the Executive Officer encourages Varun Shipping Company 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 10 day of August, 2009

James Goldstene
Executive Officer

by



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