

State of California
Air Resources Board

Executive Order G-10-028

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

LSC Shipmanagement SIA

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, LSC Shipmanagement SIA submitted an Essential Modification Report dated March 24, 2010, and additional supporting materials also dated March 24, 2010 requesting an essential modification exemption for the following vessel and equipment listed in Table 1;

Table 1. Vessel and Auxiliary Boiler Information

Owner/Operator	Ship Name	IMO	Auxiliary Boiler Make and Model	Quantity
LSC Shipmanagement	Riga	9221657	Aalborg Mission OL	2

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

WHEREAS, LSC Shipmanagement SIA stated it is planning on making the modifications to the MT Riga to enable the vessel to use the required fuels in the auxiliary boilers;

WHEREAS, ARB has reviewed the Essential Modification Report and additional supporting materials provided by LSC Shipmanagement SIA, and determined that the submissions satisfactorily demonstrate that essential modifications are necessary for the auxiliary boilers on the MT Riga to fully comply with the fuel use requirements in the OGV Fuel Regulation;

WHEREAS, based on the determinations described above, the MT Riga qualifies for an essential modification exemption for the auxiliary boilers;

NOW, THEREFORE, IT IS ORDERED, LSC Shipmanagement SIA, 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 MT Riga, subject to the limitations and conditions in this order and the OGV Fuel Regulation;

BE IT FURTHER ORDERED, the MT Riga 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 MT Riga;

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 LSC Shipmanagement SIA;

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 LSC Shipmanagement SIA 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 MT Riga must use the required fuels while in Regulated California Waters, and LSC Shipmanagement SIA must provide ARB with immediate written notification that modifications have been made;

BE IT FURTHER ORDERED, the Executive Officer encourages LSC Shipmanagement SIA to voluntarily make the essential modifications noted above to the MT Riga 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 7 day of April, 2010

James N. Goldstene
Executive Officer

by

A handwritten signature in cursive script, reading "Daniel E. Donohue", written over a horizontal line.

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