

Proposed New Ship Auxiliary Engine Regulation



May 13, 2008
Sacramento, CA

Status of Existing Ship Auxiliary Engine Rule

- ◆ **PMSA Lawsuit filed in December, 2006**
- ◆ **Court Rulings**
 - **Federal District Court found that ARB needs USEPA authorization under the CAA §209(e)**
 - **Ninth Circuit Court of Appeals upheld lower court**
- ◆ **ARB Response**
 - **No longer enforcing rule**
 - **Will pursue EPA authorization for existing rule**
 - **Propose new rule to address issues in lawsuit**

New Rule Will Address Court Findings and Coordinate with Main Engine Rule

- ◆ **Will Clarify New Rule to Impose a “Use and Operational Requirement” rather than an “Emission Limit”**
 - Revised language on the fuel requirements
 - Removed the Alternative Control of Emissions (ACE) Provision
- ◆ **Make other changes consistent with the Proposed Main Engine Rule**

Draft Regulatory Language

New Ship Auxiliary Engine Rule Draft Regulatory Language

- ◆ **Revise Fuel Sulfur Requirements and Implementation Dates**
- ◆ **Remove Alternative Control of Emissions (ACE) Provision**
- ◆ **Miscellaneous Changes Consistent with the Propose Main Engine Rule**

Fuel Sulfur Limits

- ◆ **Phase 1 Effective Date of Regulation**
 - MGO (1.5% sulfur limit)
 - MDO (0.5% sulfur limit)
 - Sulfur limits same as the existing rule

- ◆ **Phase 2 January 1, 2012**
 - MGO or MDO (0.1% sulfur limit)
 - Extends 2010 date in existing rule to 2012 and allows use of MDO
 - Same as the proposed main engine rule

Removed ACE Provision

- ◆ **ACE provision in the existing rule includes references to emissions levels**
- ◆ **Increases the probability the rule will be interpreted by the courts to establish an emissions limit**
- ◆ **No ship operator used the ACE provision to comply with the Auxiliary Engine Rule**

Miscellaneous Changes – Exemptions Added

- ◆ **Emergency Generators**
 - Used only during emergencies or to perform maintenance and testing
- ◆ **Engines Operating on Alternative Fuels**
 - Expands previous exemption for natural gas
- ◆ **Temporary Experimental/Research Work**
 - Must submit written request to ARB EO
 - Up to one year

Miscellaneous Changes - Definitions

◆ Added Definitions

- Alternative Fuel**
- Emergency Generator**
- Port Visit**
- Voyage**

◆ Modified Definitions

- Regulated California Waters (fixed coordinate)**
- Ocean-Going Vessel (excludes tugs)**

◆ Removed “Compliance Period” Definition

- Used in ACE Provision**

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Other Miscellaneous Changes

- ◆ **Added Recordkeeping Requirements for Fuel Switchover Procedures**
 - Diagram of fuel system and description of switchover procedures
- ◆ **Noncompliance Fee**
 - Once per calendar year exemption from 0.1% sulfur fuel limit for 2012-2014
 - Must use “Phase 1” distillate fuel on trip to first CA port (with 24 nm) and purchase and use 0.1% sulfur fuel on remainder of CA voyage

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Other Miscellaneous Changes

◆ Test Methods

- **Rounding Convention Added for Fuel Sulfur Test Results**

◆ Technology Review

- **Removed provision requiring a review of fuel availability and technical feasibility for the 0.1% sulfur limit in 2010**
- **Review being conducted as part of the analysis for the OGV Main Engine Rule**

Next Steps

- ◆ **Staff Report will be released in June 2008**
- ◆ **Board consideration in July 2008 in coordination with the Main Engine Rule**



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