

August 2017

Advisory to Owners or Operators of Ocean-Going Vessels Visiting California Ports

<u>Guidance for the Use of the</u> <u>Temporary Experimental or Research Exemption in the</u> <u>California Ocean-Going Vessel Fuel Regulation¹</u>

The California Ocean-Going Vessel (OGV) Fuel Regulation includes a provision entitled the "Temporary Experimental or Research Exemption" (or "research exemption")². The purpose of the research exemption is to allow for the testing of technologies being used as alternatives to the low sulfur distillate grades of fuel specified in the California OGV Fuel Regulation. This provision allows vessel operators to apply for an exemption from the fuel standards and other requirements specified in the regulation for up to three years, with the possibility for an additional extension of up to three years. To use this exemption, vessel operators must participate in a research project that will advance the state of knowledge of exhaust control technologies or characterization of emissions.

<u>For vessel visits on or after October 1, 2017</u>, the following procedures will apply for all new applications for the research exemption (and extensions of existing exemptions):

- Applicants (including those using exhaust gas scrubbers or low sulfur heavy fuels) will need to follow the requirements specified in subsection c(6) in the California OGV Fuel Regulation².
- Applications must be submitted at least thirty days prior to entering Regulated California Waters, as defined in the Regulation (e.g., September 1, 2017 for research projects beginning on October 1, 2017).
- California Air Resources Board staff will evaluate applications submitted by vessel operators and recommend approval if staff determines that the application meets all of the requirements of subsection c(6).

Research exemptions granted prior to February 23, 2017, under Marine Notice 2014-1 will expire on December 31, 2017. Exemption requests received for vessel visits between February 23, 2017 and September 30, 2017 will follow the expedited application process under Marine Notice 2014-1, but be approved on a per visit³ basis.

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¹ Fuel Sulfur and Other Operational Requirements for Ocean-Going Vessels within California Waters and 24 Nautical Miles of the California Baseline. Title 13, California Code of Regulations (CCR) §2299.2 and title 17, CCR §93118.2.

² Subsection c(6) in both title 13 CCR §2299.2 and title 17 CCR §93118.2.

³ A visit includes all California port calls associated with a given visit.

What are the Requirements under subsection c(6) to Use the Research Exemption?

Vessel operators may apply for the research exemption if they want to test the use of an exhaust treatment device or other control technology along with a high sulfur (non-complying) fuel to see if equivalent emission reductions can be achieved compared to the low sulfur distillate fuels required by the California OGV Fuel Regulation. Vessel operators must apply in advance (at least 30 days before the vessel enters Regulated California Waters) and receive approval in advance for the project in the form of an Executive Order from the Executive Officer of the California Air Resources Board, or his designee. The vessel operator must also take all feasible measures during the exemption period to limit emissions of diesel particulate matter, nitrogen oxides, and sulfur oxides. During the project, the vessel operator must submit annual progress reports detailing any vessel modifications and interim test data or results to the Executive Officer. At the conclusion of the project, all official test data and other results must be provided in final form to the Executive Officer within 90 days of the expiration of the exemption period.

Vessel operators seeking approval for the research exemption must submit research project plans meeting all the criteria identified in the Regulation for the research exemption, as determined by the California Air Resources Board staff. Listed below is a summary of these criteria for each plan (applicants should review the full regulatory text prior to submitting an application):

- Identifies the purpose, goals and objectives of the project
- Identifies measures that will be taken to minimize emissions of air contaminants
- Identifies testing procedures to be used and the testing schedule
- Provides a clear and convincing demonstration that the proposed use of noncompliant fuel will generate data as part of a research project that will advance the state of knowledge of exhaust control technology or characterization of emissions
- Provides the specifications of the non-compliant fuel to be used, including the sulfur content and ASTM specifications if applicable

How can I get more information?

Information on California's OGV Fuel Regulation can be found at: http://www.arb.ca.gov/ports/marinevess/ogv.htm, or by contacting OGVFuelRule@arb.ca.gov or Lynsay Carmichael, Air Resources Engineer, by phone at (916) 327-5784, or by email at lynsay.carmichael@arb.ca.gov or Paul Milkey, Staff Air Pollution Specialist, by phone at (916) 327-2957, or by email at paul.milkey@arb.ca.gov.