

# Potential OGV Emissions Reduction Strategies

2022 AQMP OGV Working Group Meeting #2
April 1, 2021

Cleaning The Air That We Breathe...



## **OGV NOx Emissions Contribution**



Significant OGV NOx emission reductions are needed for attainment of ozone standards.

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# Possible Initiatives/Programs for EPA's Consideration

- IMO's current focus on GHG programs
- Possible actions that EPA/federal government may consider (in conjunction with IMO)
  - · New engine standards
  - Optional engine standards based on verified retrofit control technologies
  - Potential requirements for existing vessels in ECAs given existing fleet composition and few Tier III vessels
    - Limits on older vessels (e.g., Tier 0 & Tier I)
    - Tier II+ requirements pending availability of retrofit or remanufacturing kits
  - Support development and demonstration of retrofit control technologies





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## **CARB's Potential Regulatory Programs**

- At-Berth Regulation
  - Covers container, reefer, cruise, tanker and auto carrier vessels
  - Interim evaluation in 2022 to assess possible:
    - Inclusion of bulk and general cargo vessels
    - · Requirements for anchorage emissions
- Explore regulatory concepts for transit and maneuvering operations







# San Pedro Bay Ports Clean Air Action Plan (CAAP) Measures

- Ports existing incentive programs
  - Vessel speed reduction, Environmental Shipping Index (ESI), Green Ship Incentive
- 2017 CAAP Measures
  - Improve existing VSR Program
  - Modify existing incentive programs
  - Variable rates on ships; higher fees for Tier 0 and I ships starting in 2025 or later
  - Support demonstration of emission reduction technologies and operational efficiency improvements



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# Possible South Coast AQMD Programs and Actions

- Pacific Rim Initiative for Maritime Emission Reductions (PRIMER) in collaboration with agencies, ports and shipping lines
  - Phase 1 (near-term) For shipping lines with existing qualified Tier III vessels
  - Phase 2 (near/mid-term) Based on future Tier III and Tier II+ vessels (new vessels and retrofits)
- Develop and demonstrate retrofit technologies
- Improve OGV emissions inventory
  - Evaluate Tier III NOx reduction benefit at low loads
  - Tanker vessels fugitive emissions
- Other possible actions
  - Petition to EPA for additional requirements
  - Legislative efforts





## **Shipping Lines On-Going and Future Efforts**

- Compliance with existing regulations
  - CARB's At-berth
  - IMO/EPA requirements
    - Tier III standard, 0.1% sulfur in ECAs
    - Energy efficiency improvements
    - GHG reduction target (50% in 2050)
- Operational efficiency improvements
- Exploring different fuels and technologies



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# South COAST AQMD Survey of Shipping Lines

- Expected changes to current fleet composition by 2023, 2030, and 2040 (e.g., Tier level, technology, fuel, vessel size) and drivers for these changes
- Planned vessel deployments to the Ports of Los Angeles and Long Beach and current or foreseeable barriers for deployment of cleaner vessels to these shipping routes
- Specific clean technologies, alternative fuels, or operational improvements being used, tested, or explored for new builds or inservice vessels



# South COAST AQMD Survey of Shipping Lines (cont'd)

- Recommendations for retrofit technologies and participation in demonstration projects in partnership with AQMD and CARB, and ports
- Suggestions for design, development and implementation of new incentive programs for cleaner vessels and participation in these programs
- Suggestions for increasing cleaner vessel visits to address transit, maneuvering and anchorage emissions

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Collaboration is the key to success



## **Staff Contact Information**

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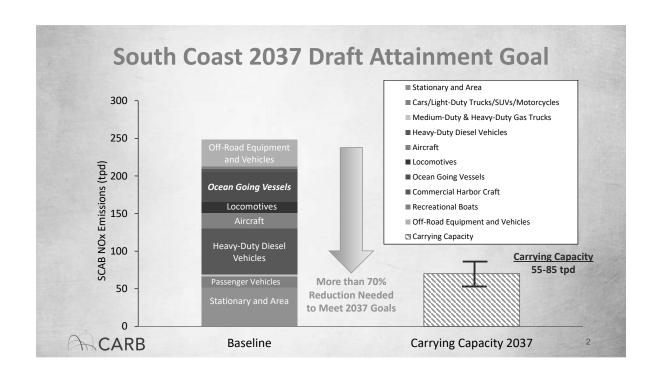
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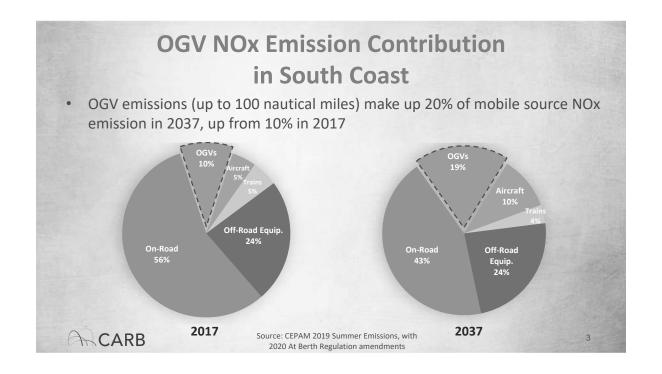


# CARB's Potential Future Measures for Reducing Emissions from OGVs

2022 AQMP Mobile Source Working Group

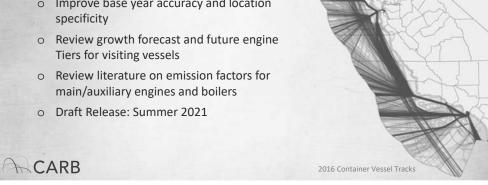
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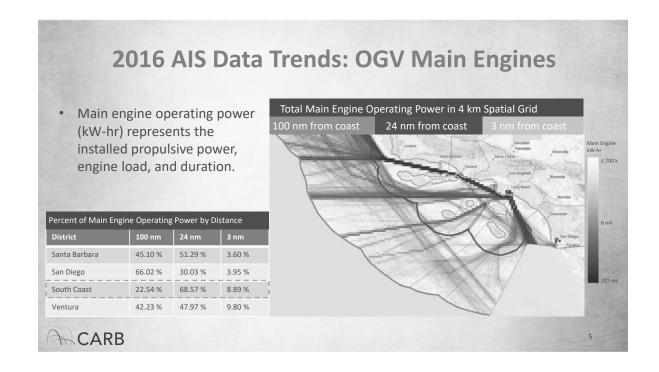




### **OGV Inventory Status**

- At-Berth inventory updated in 2020
- Inventory updates for transit, maneuvering, anchorage in progress, based on Automatic Identification System (AIS) data
  - o Improve base year accuracy and location specificity





### **Existing Regulatory & Incentive Measures**

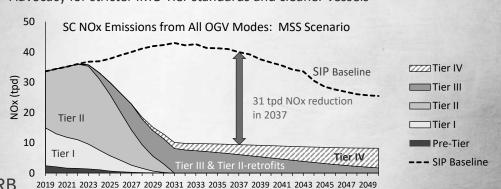
- CARB has two existing regulations designed to reduce NOx, PM, and SOx emissions from OGVs
  - At Berth Regulation
    - · Reduces emissions from auxiliary engines from vessels at berth
    - Expanded regulation adopted in 2020 to increase emissions reductions
  - o OGV Clean Fuel Regulation
    - Requires vessels to use cleaner fuels (distillate 0.1% sulfur)
    - · Applies to OGVs within 24 nm
- Voluntary vessel speed reduction (VSR) zones in Santa Barbara Channel,
   San Pedro Bay, San Francisco Bay, and San Diego



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### 2020 Mobile Source Strategy (MSS)

- · Address transit, anchorage, and maneuvering emissions
  - Replace Pre-Tier III visits with Tier III (or retrofitted Tier II visits that achieve similar reductions) by 2031
  - Advocacy for stricter IMO Tier standards and cleaner vessels



# Potential Future Measures for Reducing Emissions from OGVs

- CARB is exploring potential future measures to reduce NOx, PM, and GHG emissions from OGVs
  - In-transit
  - At anchor
- Further efforts needed to explore feasibility





### **Potential Regulatory Measures**

- CARB staff is exploring several potential future measures, including requirements for:
  - o Cleaner engines for all OGVs visiting California
  - Carbon fuel intensity
  - o VSR
  - At anchor emissions reductions
  - Bulk and general cargo vessels
- Potential emissions reduction benefits must be further explored



## **Incentive & Advocacy-Based Measures**

- Potential voluntary incentive measures are being explored:
  - Alternative fuels
  - Cleaner engines
  - Expanding voluntary VSR zone
- Advocacy for stricter IMO Tier standards and cleaner vessels





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### **Alternative Fuels: LNG**

- Draft LNG factors compared to Tier III emissions factors:
  - o 35 50% less NOx
  - o 70 80% less PM
  - o 30 35% less CO2
- Emission Factors Source:
  - Port Emissions Inventory Guidance, U.S. EPA 2020
- Infrastructure constraints should be considered



Engine Group	Engine Type	Fuel Type	NOx Emission Factor (g/kWh)	
Propulsion	MSD, Tier II	Distillate	10.5	
	MSD, Tier III	Distillate	2.6	
	LNG	LNG	1.3	
Auxiliary	MSD, Tier II	Distillate	7.7	
	MSD, Tier III	Distillate	2.0	
	LNG	LNG	1.3	

\* Based on limited LNG and Tier III engine data



### **Potential Partnerships**

- Several partnerships can be explored to consider how to achieve additional reductions from OGVs, including:
  - Working with U.S. EPA for cleaner engine requirements for vessels visiting California/U.S. ports
  - Development of incentive programs with South Coast AQMD and possible partnerships with Pacific ports
  - Coordinating with Ports and Air Districts to expand current VSR programs
  - Working with U.S. EPA and IMO to develop stricter marine engine standards



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### **Next Steps**

- An updated emissions Inventory development is underway
- · Further assessment required, including:
  - o Magnitude of emissions reductions from each potential measure
    - Assess when benefits could be achieved
    - Whether an incentive-based or regulatory approach is best
    - How to best advocate for IMO and federal support
- Continue to workshop for potential future ideas







Morgan Caswell, Port of Long Beach Teresa Pisano, Port of Los Angeles



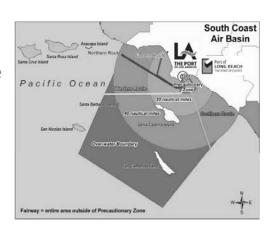
- Vessel Speed Reduction (VSR) Programs
- Ship Incentive Programs
- Technology Advancement Program (TAP)
   Demonstrations
- Vessels At Berth



For more details: <a href="https://cleanairactionplan.org/">https://cleanairactionplan.org/</a>



- Objective: reduce emissions from OGVs by lowering speeds as vessels approach or depart the Ports.
- ≤ 12 knots at 20nm or 40 nm from Point Fermin
- ≥ 90% fleet compliance earns rebate on dockage fees
  - 40nm
  - 20nm
- 96% participation within 20nm and 92% participation within 40nm in 2020





**Objective:** reduce emissions from OGVs through per-call incentives to attract cleaner ships.



#### **Environmental Ship Index**

Participation in IAPH ESI

Score 40-49: \$750/call

Score ≥50: \$2500/call

• IMO Tier III: \$5000/call



#### **Green Ship Incentive Program**

• IMO Tier II: \$2500/call

• IMO Tier III: \$6000/call

 Program modifications underway to promote Tier II+ and Tier III ships

www.cleanairactionplan.org



### Ocean-Going Vessel Demonstrations

### Technology Advancement Program

- SCAQMD Water-in-Fuel Demonstration
- Pasha LNG/Diesel Dual-Fuel Demonstration



- Port of Long Beach START project
- Support CARB-funded project for tankers at-berth





- CARB Ocean-Going Vessels At Berth Regulation
  - Board approved in August 2020
  - Expands requirements for regulated fleets and includes new vessel categories, including RoRo and tanker vessels
  - Requires submission of Terminal and Port Plans by
     December 1, 2021
- Efforts Underway
  - Ongoing engagement with terminal operators and other stakeholders regarding Terminal Plan/Port Plan development
  - Draft plans are underway



	2005 vs. 2019		
Container Throughput (TEUs)	20%		
Containers (TEUs) per call	72%		
Containership Arrivals	30%		





Nitrogen Oxides DOWN 44%

Sulfur Oxides

DOWN

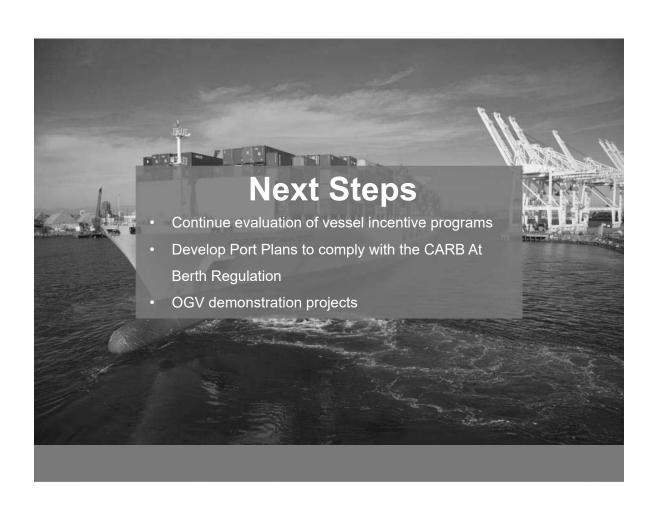
97%

Greenhouse Gases

DOWN
29%



\*Compared to 2005 Levels





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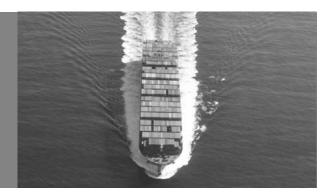
# PROTECTING BLUE WHALES & BLUE SKIES INCENTIVE BASED VESSEL SPEED REDUCTION PROGRAM

South Coast AQMD 2022 AQMP Mobile Source Working Group for Ocean-Going Vessels April 1, 2021 Meeting

Santa Barbara County Air Pollution Control District

Ventura County Air Pollution Control District

NOAA Channel Islands National Marine Sanctuary



# A PARTNERSHIP FOR CLEANER AIR, SAFER WHALES, AND QUIETER OCEANS

- Air Districts, National Marine Sanctuaries, Non-profits, Foundations
- 2014 pilot in Santa Barbara Channel, expanded each year 2016-2020
- Financial & recognition incentives to shipping companies to slow down in VSR zones
- Benefits:
  - Significant NOx emission reductions
  - Reduce fatal ship strikes on whales
  - Reduce ocean noise



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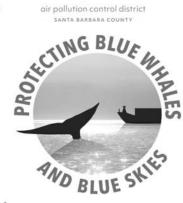
















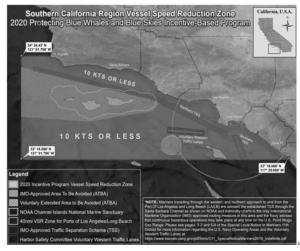








## **VSR ZONES**





## **OVERVIEW OF PROGRAM**

- Seasonal program (May to November) to coincide with ozone season and presence of whales
- Open to container and car carrier shipping companies
- Air Districts seeking near-term NOx reductions
  - Federal and International Maritime Organization (IMO) actions on engine requirements will take a long time
  - Air districts are required to plan to meet federal and state ozone standards
- Analyze AIS data to determine performance and benefits; data and labor intensive effort
- Starcrest Consulting Group develops methodology and performs air emission calculations

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## **OVERVIEW OF PROGRAM**

Incentives are tiered based on % of distance traveled at 10 knots or less

Financial rewards range \$2,500 to \$30,000 in 2020 – many companies declining awards

Extensive positive public relations campaign – award ceremony, press coverage and advertising





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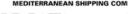
### 2020 VSR INCENTIVE PROGRAM PARTICIPANTS







# Hapag-Lloyd























**CMA CGM** 



Matson

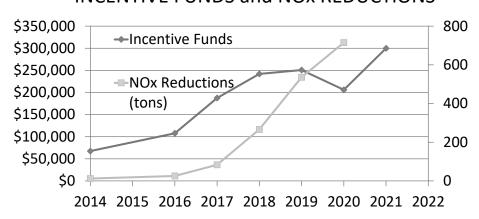
## VSR INCENTIVE PROGRAM ACCOMPLISHMENTS

Year	2014	2016	2017	2018	2019	2020	
Area	Santa Barbara Channel	Santa Barbara Channel Region	Santa Barbara Channel Region & San Francisco Bay Area			SoCal Region & SF Bay Area	
# Companies	7	10	11	12	15	16	
# Vessels	14	25	44	280	349	495	
Slow-speed Distance (nautical miles)	2,700	5,000	12,630	46,026	99,019	181,306	
NOx Reductions (tons)	12.4	25.6	SoCal: 74 tons SF Bay: 10 tons	SoCal: 208 tons SF Bay: 58 tons	SoCal: 430 tons SF Bay: 106 tons	SoCal: 593 tons SF Bay: 122 tons	
GHG Reductions (metric tons)	535	1,005	2,630	8,668	17,026	TBD	
Ocean Noise Reduction	*	*	*	*	*	*	
Ship Strike Reduction	*	*	*	*	*	*	

<sup>\*</sup>Quantification methodology under development, but real qualitative benefits demonstrated in recent research

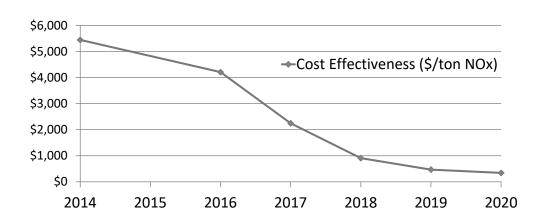
## NOx REDUCTIONS

#### **INCENTIVE FUNDS and NOx REDUCTIONS**



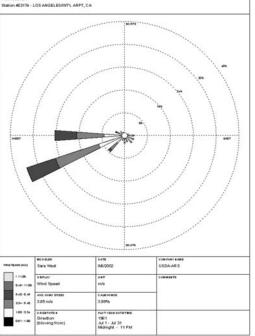
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## COST EFFECTIVENESS



## **FUTURE OF PROGRAM**

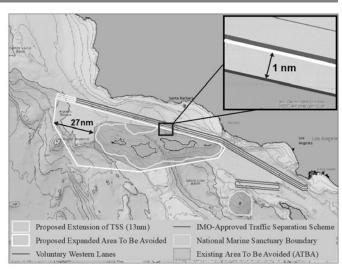
- SEP Funding in place for 2021 and 2022
- Additional incentive funds could drive further reductions of emissions, ship strikes and ocean noise
- Beyond 2022 funding is needed to continue program – participating air districts do not have revenue stream
- Emission reductions from program benefit SCAQMD attainment and emissions inventory at ports (Hueneme, Long Beach, Los Angeles)
- Statewide VSR would benefit all state coastal communities and environment



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## **FUTURE FEDERAL ACTIONS**

- Separating ships and whales -International Maritime Organization 2022
- Ocean-Based Climate Solutions Act
- Lawsuit
- VSR Regulation?



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ourair.org/air-pollution-marine-shipping/

