Marine Shipping Solutions Workshop

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Overview

- POLA Environmental Ship Index (ESI) Incentive Program
- VSR
- Emission Reduction Technologies
- SBCAPCD Open Incentive Discussion

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Environmental Ship Index (ESI)

International clean ship indexing program

Web-based tool

Assigns scores to vessels performing better than IMO rules

- Before regulations
- Beyond regulations

Focus on priority pollutants

GHG reductions in the future

Standard for ports to reward clean ships





Why Important to POLA?

Promote internationally-accepted indexing system

- Contribute to CAAP goals
 - Standards
 - > OGV 5 & 6
- Reward early action readiness for upcoming regulations

Lead as North American catalyst

Incentives from multiple ports increases industry participation



Why Important to Industry?

- Participate in an internationally-accepted indexing system
- Recognition & rewarded for early action readiness for upcoming regulations
- Incentives from multiple ports



ESI, Who is Participating?

- 1,445 vessels enrolled
- 170 shipping lines are participating
- 16 ports offering incentives

- Five container lines calling the Port are participating in ESI
- In 2011, 12 vessels made 135 calls to the Port
- Two North American Ports will join ESI in 2012

ESI, Who is Participating?



ESI Incentive Providers

North America

Port of Los Angeles AutoritàPortualedi Civitavecchia Brunsbüttel Ports GmbH **Green Award Foundation Groningen-Seaports** Hamburg Port Authority Port of Amsterdam Port of Antwerp Port of Ashdod Ports of Bremen/Bremerhaven Port of La Havre Port of Oslo Port of Rotterdam Port of Zeebrugge **SEEHFEN KIEL GmbH & Co. KG Tata Steel IJmuiden Terminals**

Europe

Africa

South America

Port of Los Angeles Environmental Ship Index Program



Additive Incentive Opportunities - OGV5 & 6

\$3,250	•Vessel with IMO Tier 3 Main Engine per call	OGV5 –	
\$750	• Vessel with IMO Tier 2 Main Engine <i>per call</i>	Cleaner Engines	
\$750	• Main Engine Demo Participation per call	OGV6 –Engine Emissions Reduction Technology Improvements	

Environmental Ship Index (<u>http://esi.wpci.nl</u>) and

Port of Los Angeles Incentive Payment (<u>http://www.portoflosangeles.org/environment/ogv.asp</u>)

Clean Ship Profile

Vessel Particulars	ESI 25-29	ESI 30-34	ESI 35-39	ESI 40+
Engine rating lower than Tier I engine forNOx	V	V	V	V
Lower sulfur than regulation Heavy Fuel Oil (HFO)	1	1	V	×
Lower sulfur than regulation Marine Gas Oil/Diesel Oil (MGO/MDO)	×			
Cleanest available MGO/MDO		×.	×.	₹.
Ship Energy Efficiency Management Plan			✓ and/or	×.
Shore power technology on-board			×.	×

Los Angeles Harbor Department Incentive Payment Schedule

□Quarterly Payments $\sqrt{7/1} - 9/30^*$ $\sqrt{10/1} - 12/31$ $\sqrt{1/1} - 3/31$ $\sqrt{4/1} - 6/30$

* On a one-time basis only for the first quarter of the program, the Harbor Department will pay incentives for qualifying ship calls from July 1, 2012 to September 30, 2012, provided the vessel operator is both registered for ESI and enrolled with the Harbor Department by September 30, 2012.

ESI, Point Accumulation

200 NOx points
100 SOxpoins
10 CO2 points
35 On-Shore Power Supply

ESI, NOx Points

✓ Provide basic engine data to accumulate NOx points



ESI, SOx Points

✓ Provide bunker note delivery receipts for heavy fuel oil (HFO) & marine gas oil/marine diesel oil (MGO/MDO) to accumulate SOx points



ESI, CO2 Points

 If the vessel has a Ship Energy Efficiency Management Plan (SEEMP) then vessel accumulates 10 CO2 points

10 CO2 Points Possible			
SEEMP?		Yes • 10 pts.	

ESI, Bonus Points

 If vessel is has onshore power supply (OPS) on-board vessel, vessel receives 35 bonus points



ESI Next Steps

2013 Phased replacement of SEEMP with EEOI (lite) 2013-2014? Develop EEOI element for ESI – coordination with shipping lines 2014-2016? Rollout the various elements to EEOI

Environmental Ship Index: http://esi.wpci.nl Port of Los Angeles: http://www.portoflosangeles.org/environment/ogv.asp

Vessel Speed Reduction (VSR)

- One of Many Options for Reducing Ship Emissions
 - Fuel Switch
 - On-Shore Power
 - Vessel Speed Reduction (VSR)
 - Emission Reduction Technologies
 - Energy Efficiency Measures

Pollutant Consideration & Effectiveness

- Port Domain Perspective
 - NO_x, PM_{2.5}, PM₁₀, DPM, & SO_x Good Option for Reducing Regional & Local Health-Based Emissions/Impacts

VSR 101

Advantages of VSR

- Reduces all pollutants
- All ships can do it
- Short implementation time frame
- Utilizing AIS data a program can be verified
- Administration of VSR compliance can mostly be automated (POLA, POLB, PANYNJ, etc) = low administrative support costs
- Reductions have been studied & estimating methods CARB & EPA accepted

VSR 101

Ship Energy Profile



Factors Influencing Magnitude of Benefits

Geographical Domain & Geography

- Reduction Magnitudes from Slow Steaming Varies by Port
- Coastal Ports Good Potential to Reduce Open-Water Portion of Ship Transit Emissions
 - Limited by Geography & Domain Extent
 - Limited by Transitional Areas
- Inland Ports Limited Effect on Constrained Waterway Transit Emissions
 - Vessel Safety is Paramount
 - Speed Typically Already Reduced Due to Constrained Waterways
 - Pilot Time Limits
- Vessel Related Factors
 - Average Speeds Prior to Program Start
 - Large Auxiliary Loads are Primary Constraining Factor
 - Fleet Mix & Next Port





VSR Example

San Pedro Bay Ports (SPBP) Developed First VSR Program

All

- Implementation Date:
- Implementation Approach:
- Status:
- Vessel Types:
- Drivers
 - Extreme NOx Nonattainment
 - Coastal Ports w/Beneficial Geographical Domain
 - Public, Regulatory, & Board Pressure to Reduce NOx
- Participants in Development of Program:
 - Port of Los Angeles (POLA)
 - Port of Long Beach (POLB)
 - Marine Exchange
 - US Coast Guard
 - California Air Resources Board (CARB)
 - South Coast Air Quality Management District
 - Pacific Merchants Shipping Association (PMSA)

October 2001 Voluntary/Incentive Ongoing



VSR Example

SPBP VSR Program

VSR Program Domain



VSR Example

SPBP Vessel Speed Reduction (VSR) Program –

Compliance History





VSR Examples



VSR Examples



VSR Examples



Emission Reduction Technologies







San Pedro Bay Ports Clean Air Action Plan Guide to OGV Emission Control Strategies

January 2012

Clean Air Action Plan

- Technology Advancement Program
- Emission Inventory Improvement
- > OGV 6 Measure



www.cleanairactionplan.org/default. asp

SBCAPCD Incentive Open Discussion



Thank You!



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