

CALIFORNIA AIR RESOURCES BOARD
STATE of CALIFORNIA

**APPLICATION OF Wallenius Wilhelmsen
FOR INNOVATIVE CONCEPT COMPLIANCE OPTION
(Section 93130.17, Ocean-going Vessels At-Berth Control Measure)**

Wallerius Wilhelmsen provides this application for an Innovative Concept Compliance Option in order to do all of the following: implement a compliance pathway for vessels to meet the requirements of the California Air Resources Board *Control Measure for Ocean-Going Vessels At Berth*, 17 CCR §93130 - 93130.22, 13 CCR §2299.3, 17 CCR §93118.3; maintain compliance with vessel operations consistent with US EPA waiver FRL-9503-4 (76 FR 77515, 13 December 2011); provide vessel emissions reductions of PM 2.5, NOx, and ROG that are at least as equivalent to the emissions reductions that would have occurred using a CAECS.

INNOVATIVE CONCEPT ELEMENTS

§93130.17 Requirements	Innovative Concept Proposal
(b)(1)(A) – Applicant Information	<p>Applicant: Wallenius Wilhelmsen</p> <p>Contact: Len Mazzella 279 E. Port Hueneme Rd Port Hueneme, Ca., 93041 805-207-5006 Len.mazzella@walwil.com</p>
(b)(1)(B) – Description of Innovative Concept proposal including an overview of the source and scope of emissions reductions	<p>Wallerius Wilhelmsen proposes to control emissions from vessels At Berth under this Innovative Concept by early adoption of plug in cold ironing through use of Hydrogen powered portable fuel cells or other sources of CARB approved shore power. Wallenius Wilhelmsen’s objective is to achieve additional emission reductions (pre-compliance deadline) to bank emission compliance credits and effectively provide greater compliance flexibility post deadline date .</p>

<p>(b)(1)(C) – Estimate of the vessel emissions planned to be covered under the Innovative Concept</p>	<p><u>BUSINESS CONFIDENTIAL INFORMATION – TRADE SECRETS</u></p> <p>Wallenius Wilhelmsen asserts all privileges and privacy with respect to its operations and associated data in this Application.</p> <p>CARB Enforcement Staff is presently in possession of all actual vessel emissions achieved under the existing regulation. To the extent that the Innovative Concept is proposed to reduce the equivalent amount of emissions required under that rule, we respectfully request that the actual emissions reductions be reviewed without the disclosure of specific emissions reductions to the general public or to any business competitors.</p> <p>We believe that reference to existing validated data at hand will streamline the process, reduce CARB staff and applicant administrative overhead, and provide the best surety of an estimation being accurate.</p>
<p>(b)(1)(D) – Proposed recordkeeping, reporting, monitoring, and testing procedures to demonstrate reductions</p>	<p>We note that all Innovative Concept compliance is subject to requisite maintenance of records in the manner and form specified by the Executive Officer pursuant to (a)(13). To that end this Innovative Concept would propose to replicate all existing enforcement and monitoring requirements under the existing requirements, and with any additional reporting to be identified as part of an enforceable agreement with CARB. As noted above, this will streamline staff review and administrative burdens.</p>
<p>(b)(1)(E) – Any existing MOUs or similar agreements showing scope and requirements for using the Innovative Concept, if applicable</p>	<p><u>BUSINESS CONFIDENTIAL INFORMATION – TRADE SECRETS</u></p> <p>Wallenius Wilhelmsen asserts all privileges and privacy with respect to its operations and associated data in this Application.</p> <p>CARB Enforcement Staff is presently in possession of all actual vessel emissions achieved under the existing regulation. To the extent that</p>

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	the Innovative Concept is proposed to reduce the equivalent amount of emissions required under that rule, we respectfully request that the actual emissions reductions be reviewed without the disclosure of specific emissions reductions to the general public or to any business competitors.
(b)(1)(F) – Proposed length of time during which the Innovative Concept would be used	Wallenius Wilhelmsen proposes that this Innovative Concept period be applicable from January 1, 2023 through December 31, 2027.
(b)(1)(G) – Summary of all governmental approvals necessary to enable development of the Innovative Concept	None.
(b)(1)(H) – Any environmental review requirements that may apply to the proposed Innovative Concept	None.
(b)(1)(I) – Any information necessary to demonstrate that the proposed innovative concept meets all eligibility and applicability requirements in subsection 93130.17(a)	See continued Application sections below.
(a)(1) – Vessel Category	Ro/Ro
(a)(2) – Reduce NOx, PM 2.5, and ROG emissions equivalent to or greater than the level that would have been achieved by the Control Measure, while not increasing GHG. Ref. Table 3, §93130.11 (b) – Cumulative VIEs and TIEs for all vessels granted at no greater than 20% in 2023 and 10% in 2025.	Wallenius Wilhelmsen’s goal is provide early and excess emission reductions in order to provide fleet flexibility later. Accordingly, WW proposes to fully control emissions of certain shore power-capable vessels in 2023-2024 prior to the requirements of the amended At Berth Rule. WW proposes that emissions reductions achieved early and in excess of the rule’s requirements would be allowed to provide additional VIEs that could be used for vessels not capable of using shore power over the period of 2025-2027 on a one-for-one basis and/or to provide future

	allowance to provide future fleet flexibility during 2025-2027. The allowances would be used, until exhausted, in the calculation of a fleet average compliance rate to achieve rule’s required reduction of 90%.
(a)(3) – Innovative Concept must achieve emissions reductions of NOx, PM 2.5, and ROG that are early or in excess of (1) existing rules or requirements (2) an emission reduction strategy identified in an AB 617 program	
(a)(4) – Innovative Concept emissions reductions must be achieved in and around the Port at which the vessel visits take place, within adjacent communities, or within 3 nm of the port	All (a)(2) Emissions Reductions will be achieved at the marine terminal in which the vessel visits take place.
(a)(5) – Innovative Concept must not increase emissions at other ports or marine terminals.	All (a)(2) Emissions Reductions will be achieved at the marine terminal in which the vessel visits take place.
(a)(6) – Innovative Concept must achieve emissions reductions that exceed any reductions that would otherwise occur under regulations or business as usual scenario, taking into account all current laws and regulations. Reductions must be “real,” “quantifiable,” “verifiable,” and “enforceable.”	Application of (a)(2) Emissions Reductions and application of the agreement to provide additional (a)(3) Emissions Reductions will <i>per se</i> achieve emissions reductions in excess of reductions that would otherwise occur under this measure and the existing US EPA waiver. All (a)(2) Emissions Reductions are proposed to be enforced by CARB utilizing all existing evaluation, reporting, and enforcement mechanisms under existing law. This program is real, quantifiable, verifiable, and enforced.
(a)(7) – Innovative concept shall not exceed a compliance period of greater than five years.	Wallenius Wilhelmsen proposes that this Innovative Concept period be applicable from January 1, 2023 through December 31, 2027.
(a)(12) – No innovative concept shall be partially	(a)(3) Emissions Reductions are not proposed to

<p>or fully funded with a public incentive program.</p>	<p>be funded with a public incentive program, but (a)(3) Emissions Reductions may leverage, be combined with, and contribute to public funds generated outside of an Innovative Concept source in order to maximize emissions reductions.</p>
<p>(b)(4),(b)(5) – Application Approvals, Incomplete applications</p>	<p>Wallenius Wilhelmsen proposes that because the scope and terms of an enforceable (a)(3) agreement pursuant to this Innovative Concept necessarily have yet to be negotiated, crafted, or discussed prior to Application submission, however such terms must be negotiated prior to full Innovative Concept application, that this application not be deemed incomplete but rather approved subject to the approval of an agreement published in an Executive Order pending agreement, similar to the provisional allowance for future compliance to obtain the permits or approvals necessary to undertake the activities constituting the Innovative Concept.</p>
<p>Additional Terms of Agreement</p>	<p>Wallenius Wilhelmsen proposes that both parties agree that this Innovative Concept is consistent with 13 CCR §2299.3 and 17 CCR §93118.3 and is effective compliance with vessel operational requirements adopted by the US EPA as a final action of national applicability for purposes of section 307(b)(1) of the Federal Clean Air Act (see US EPA waiver issuance, FRL-9503-4 (76 FR 77515, 13 December 2011)), that (a)(2) Emissions Reductions are subject to regulatory compliance consistent with those requirements and that (a)(3) Emissions Reductions are voluntary reductions enforceable by agreement, and that pursuant to the terms of said agreement that Wallenius Wilhelmsen will not challenge 17 CCR §§93130 - 93130.22 under the terms of the Federal Clean Air Act with respect to preemption of emissions standards enacted without waiver by the US EPA so long as the Innovative Concept provides a pathway for effective vessel compliance with the existing US EPA waiver.</p>

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