

U.S. Department of  
Homeland Security



United States  
Coast Guard

Commander  
Eleventh District

Coast Guard Island, Bldg. 50-6  
Alameda, CA 94501-5100  
Staff Symbol: d  
Phone: (510) 437-3968  
Fax: (510) 437-5793

16000  
August 11, 2009

Mary D. Nichols, Chairman  
California Air Resources Board  
1001 I Street, P.O. Box 2815  
Sacramento, California 95812

Dear Chairman Nichols:

The Coast Guard is closely monitoring incidents with commercial ships that are potentially connected to the new fuel switching requirement as mandated by the new regulation implemented by the California Air Resources Board on July 1, 2009. We are doing so in close communication with your Stationary Source Division. I want to share with you our preliminary findings from reviewing the data after the first month of this new fuel switching requirement for ships along the California coast and ports.

Prior to the implementation date of this new requirement, members of my staff met with your Stationary Source Division to share information we believed helpful in assessing relative safety risks associated with the State's rulemaking. During this meeting, we agreed that increasing awareness among the shipping industry was critical to ensuring maximum preparation to prevent incidents associated with fuel switching. Our headquarters subsequently released a Marine Safety Notice on May 26, 2009. The Air Resources Board also released several Marine Notices in May and June. Coast Guard units in California have communicated with their local shipping community and with ships destined for local ports. Our headquarters also worked with American Petroleum Institute to finalize a technical paper on avoiding propulsion loss when switching fuels and referenced the same in a Marine Safety Alert on June 16, 2009.

Despite these efforts, there was a notable increase in the number of shipping incidents associated with fuel switching since the July 1<sup>st</sup> implementation date. Specifically, in July 2009, the Coast Guard initiated six incident investigations that were likely related to fuel switching. As a comparison, from September 2008 through June 2009, the Coast Guard conducted eleven of these same investigations. The majority of these incident investigations since July 2009 surround the loss of complete propulsion due to the shutting down of engines or electrical power. Although we are just starting to collect and compare this data since the implementation date, I felt the increase in incidents that appear to be related to fuel switching needed to be shared now, as the Coast Guard is concerned with increases in risk for collision, allision or grounding of ships transiting along the California coast or to/from one of the state's ports.

We look forward to continuing to work with your staff in an effort to mitigate this risk and to protect the people and environment in the State of California. My point of contact regarding this matter is my Chief of Prevention, Commander Patrick Maguire. He can be reached at (510) 437-3431.

Sincerely,

A handwritten signature in black ink, appearing to read "J. R. Castillo".

J. R. Castillo  
Rear Admiral, U.S. Coast Guard

Copy: Commander, Coast Guard Pacific Area (Pp)