



News Release

Port Moves to Boost Clean-Fuel Incentive for Ships

Commission votes initial OK for 50 percent increase in incentives

March 10, 2009

Taking a step to boost participation in a voluntary clean-air program for oceangoing vessels, Long Beach Harbor Commissioners on Monday, March 9, 2009, gave preliminary approval to a plan to cover more of the costs of switching to clean fuels near the Port of Long Beach.

The Port of Long Beach on July 1, 2008 began compensating ocean carriers for the difference between the lower-cost, dirtier "bunker" fuel, and the more expensive, cleaner-burning, low-sulfur fuels, if the vessel operators voluntarily switched over within 20 to 40 nautical miles (nm) of the Long Beach Harbor.

The Port is proposing to increase the reimbursement for each vessel trip by 50 percent, to cover the vessel operators' cost of transitioning to the clean fuels before they enter the 20- or 40-nm range. Commission members, acting as the Board's Engineering and Environmental Committee, on Monday voted to send the plan to the full Commission for consideration in the coming weeks.

"We have talked to the vessel operators and we made this adjustment to bring more of our ocean carrier partners into the low-sulfur fuels program," said Richard D. Steinke, Executive Director of the Port of Long Beach. "This is a very cost-effective way to reduce emissions from ships coming into and leaving the Port."

The increased incentive will apply for only the final three months of the voluntary program. Then on July 1, 2009, California Air Resources Board regulations will require vessel operators to switch to low-sulfur fuels near the California coast.

About 20 ocean carriers, representing about 17 percent of vessels, currently participate in the low-sulfur fuel incentive program.

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