



SHIP SAFETY BULLETIN

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Subject: **New Regulations for Vessel Air Emissions:
FLEET AVERAGING PLANS AND ANNUAL REPORTING**

Purpose

The purpose of this bulletin is to inform stakeholders of new regulations now in place to address air emissions from vessels over 400 gross tonnage operating in Canada. The *Regulations Amending the Vessel Pollution and Dangerous Chemicals Regulations* (the Amendments) were published in Part II of the *Canada Gazette* on May 8, 2013.

Please note this bulletin complements Ship Safety Bulletin 06/2013 and provides information on planning and reporting on averaged air emissions over a fleet.

Background

The Amendments implement standards for the North American Emission Control Area (NA-ECA), energy efficiency of vessels and a regime for Canadian vessels in the Great Lakes and St. Lawrence waters. For full text of the Amendments and the Regulatory Impact Analysis Statement, please see the [Canada Gazette, Part II](#).

Please note some requirements for air emissions were already in place under *Vessel Pollution and Dangerous Chemicals Regulations* (the Regulations). As the Amendments will be incorporated into the text of the Regulations, please consult the [Regulations](#).

The Regulations will be enforced in accordance with the [Policy on Compliance and Enforcement of the Canada Shipping Act, 2001](#)- TP13585.

Keywords:

1. Air Emissions
2. Marine Fuels
3. Regulations
4. Pollution Prevention
5. Fleet Averaging

Questions concerning this Bulletin should be addressed to:

AMSEE
Environmental Protection
613-991-3168

Transport Canada
Marine Safety and Security
Tower C, Place de Ville
10th Floor, 330 Sparks Street
Ottawa, Ontario K1A 0N8

Contact us at: marinesafety-securitemaritime@tc.gc.ca or 1-855-859-3123 (Toll Free).

Overview of Fleet Averaging

For vessels inside the NA-ECA and throughout Canadian waters south of 60°N, the Amendments set a limit of 1.00% on the sulphur content of marine fuel. This will be followed by a 0.10% limit after January 1, 2015.

For Canadian vessels voyaging in the Great Lakes and St Lawrence waters, section 111.1 of the Amendments provides a fleet averaging regime, where compliance with the sulphur content standards is determined by the average sulphur content of all the fuel used by a firm's fleet.

The regime requires plans and reports be submitted to Transport Canada and that special Canadian Air Pollution Prevention certificates will be issued. The area of this regime is demarcated by the fisheries boundary line in the Strait of Belle Isle set out on Nautical Chart number 4015 and the fisheries boundary line in the Cabot Strait on Nautical Chart number 4022 published by the Canadian Hydrographic Service.

Under the Amendments, an authorized representative who elects to use a fleet averaging regime to comply with sulphur oxides emissions standards must submit their plans and annual reports for fleet averaging to:

Environmental Protection (AMSEE)
Operations and Environmental Programs
Marine Safety and Security
Transport Canada
330 Sparks St, 10th floor
Ottawa, Ontario K1A 0N8
Email: marinesafety-securitemaritime@tc.gc.ca

On acceptance of the plans, Transport Canada will issue for each vessel a Canadian Air Pollution Prevention Certificate. The certificate will be in effect until December 31, 2020, after which all vessels are expected to be in compliance with the 0.1% sulphur content standard, either by the use of fuel or by an approved alternative compliance option.

Canadian vessels voyaging past this line may continue to participate in the fleet averaging regime, however are expected to comply with the NA-ECA standards. Transport Canada may consider alternative compliance options as set out in SSB 02/2013 in certain cases.

Further questions may be directed to the above contact.

Fleet Averaging Plans

The plans must include the following elements.

- Name of the authorized representative for the vessels in the fleet.
- The email and mailing address of the office of the authorized representative that the certificates should be sent to for distribution to the vessels.
- A brief description of how the vessels would be managed to attain the targets for fleet averaging as set out in section 111.1 (4) of the Amendments. The plan should list, for each vessel in the fleet, its:
 1. Name, official number, and gross tonnage
 2. Port of Registry
 3. Date on which the last survey was completed for its current Air Pollution Prevention Certificate (either Canadian or International).
- Please note:
 1. The average sulphur content in the fuel used by the fleet may be met by the vessels using a range of conventional fuels over that time, alternative fuels, or emission control technology.
 2. A vessel delivered into service after December 31, 2008, may further apply an efficiency credit of 10% to reduce its sulphur content in its fuel used over the period—per subsection 111.1(3)(b)(i) of the Amendments.
 3. A vessel delivered into service after July 31, 2012, or on which a marine diesel engine that has a power output of more than 5 000 kW was installed after July 31, 2012, may further apply an efficiency credit of 20% to reduce its sulphur content in its fuel used over the period—per subsection 111.1(3)(b)(ii) of the Amendments.

Fleet Averaging Annual Report

The annual reports must be audited by a third party and must include the following elements.

- Name of the authorized representative for the vessels in the fleet.
- The email and mailing address of the office of the authorized representative that the certificates should be sent to for distribution to the vessels.

- A brief description of how the vessels attained the target average for the prior year set out in subsection 111.1 (4) of the Amendments. The annual report should list for each vessel in the fleet:
 1. Name, official number, and gross tonnage
 2. Port of Registry
 3. Date on which the last survey was completed for its current Air Pollution Prevention Certificate (either Canadian or International).
 4. Fuel used and the sulphur content of that fuel, if sulphur content varied by more than 0.1% from the annual target please include the reason in the report.
 5. If alternative fuels or emission control technology were used, report the equivalent sulphur content
 6. If an efficiency credit of 10% is being applied for vessel delivered into service after December 31, 2008, or of 20% for a vessel delivered after July 31, 2012, in accordance with subsection 111.1(3)(b) of the Amendments.