## 117TH CONGRESS 2D SESSION

## H. R. 8336

To amend the Clean Air Act to provide for the establishment of standards to limit the carbon intensity of the fuel used by certain vessels, and for other purposes.

## IN THE HOUSE OF REPRESENTATIVES

July 12, 2022

Mr. Lowenthal (for himself and Ms. Barragán) introduced the following bill; which was referred to the Committee on Energy and Commerce

## A BILL

To amend the Clean Air Act to provide for the establishment of standards to limit the carbon intensity of the fuel used by certain vessels, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Clean Shipping Act
- 5 of 2022".
- 6 SEC. 2. MARINE ZERO GREENHOUSE GAS FUEL STANDARD.
- 7 The Clean Air Act is amended by adding after section
- 8 212 (42 U.S.C. 7546) the following new section:

| 1  | "SEC. 212A. MARINE ZERO GREENHOUSE GAS FUEL STAND    |
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| 2  | ARD.   |
| 3  | "(a) Marine Vessel Fuel Carbon Intensity             |
| 4  | STANDARDS.—  |
| 5  | "(1) Standards.—The Administrator shall, by          |
| 6  | regulation, require each vessel on a covered voyage  |
| 7  | to comply with standards for the carbon intensity of |
| 8  | the fuel used by such vessel so that such carbon in- |
| 9  | tensity is—  |
| 10 | "(A) in each of calendar years 2027                  |
| 11 | through 2029, at least 20 percent less than the      |
| 12 | carbon intensity baseline;                           |
| 13 | "(B) in each of calendar years 2030                  |
| 14 | through 2034, at least 45 percent less than the      |
| 15 | carbon intensity baseline;                           |
| 16 | "(C) in each of calendar years 2035                  |
| 17 | through 2039, at least 80 percent less than the      |
| 18 | carbon intensity baseline; and                       |
| 19 | "(D) in calendar year 2040 and each cal-             |
| 20 | endar year thereafter, 100 percent less than the     |
| 21 | carbon intensity baseline.                           |
| 22 | "(2) Promulgation of standards.—The Ad-              |
| 23 | ministrator shall finalize—                          |
| 24 | "(A) the standard required by paragraph              |
| 25 | (1)(A) by not later than January 1, 2026; and        |

| 1 | "(B) the standards required by each of           |
|---|--|
| 2 | subparagraphs (B) through (D) of paragraph       |
| 3 | (1) by not later than 2 years before the respec- |
| 4 | tive standard goes into effect.                  |
| 5 | "(3) Technological or economic feasi-            |

BILITY.—

"(A) IN GENERAL.—If the Administrator determines that a reduction in carbon intensity required under paragraph (1) is not technologically or economically feasible by the applicable deadline under such paragraph, the Administrator, in lieu of promulgating the standard otherwise required by paragraph (1), shall promulgate a standard that will achieve the maximum reduction in the carbon intensity of the fuel used by vessels on covered voyages that is technologically and economically feasible by such applicable deadline.

"(B) Considerations.—In determining technological and economic feasibility for purposes of subparagraph (A), the Administrator shall take into account the net reduction of emissions of greenhouse gases and potential adverse impacts on public health, safety, and the environment, including with respect to air qual-

- ity, water quality, and the generation and disposal of solid waste.
- "(4) HARMONIZATION WITH INTERNATIONAL STANDARDS.—If the Administrator determines that standards mandated by the International Maritime Organization for reduction of the carbon intensity of fuel used by vessels for a calendar year are equally or more stringent than the standards under para-graph (1) for such calendar year, the Administrator may adopt such standards.
  - "(5) EXEMPTION.—Any vessel that is on covered voyages for 30 days or fewer during a calendar year shall be exempt from the standards promulgated under this subsection for that year.
  - "(6) COMMON OWNERSHIP OR CONTROL.—For purposes of determining compliance with any standard established under this subsection, the Administrator may allow the carbon intensity of the fuels used by vessels under common ownership or control to be averaged.
  - "(7) Overcompliance.—The Administrator may allow vessels to credit overcompliance with any standard established under this subsection towards demonstrating compliance with any future standard under this subsection.

| 1  | "(b) Monitoring and Reporting.—                      |
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| 2  | "(1) List of methods.—                               |
| 3  | "(A) IN GENERAL.—The Administrator                   |
| 4  | shall develop a list of acceptable methods for       |
| 5  | monitoring and reporting compliance with the         |
| 6  | standards established under subsection (a).          |
| 7  | "(B) Consistency of Methods.—The                     |
| 8  | Administrator, to the maximum extent prac-           |
| 9  | ticable, shall ensure the consistency of the         |
| 10 | methods listed under subparagraph (A) with           |
| 11 | similar reporting schemes developed by the Eu-       |
| 12 | ropean Union and the International Maritime          |
| 13 | Organization.  |
| 14 | "(2) Annual reporting requirements.—                 |
| 15 | For each calendar year, a vessel shall report to the |
| 16 | Administrator—                                       |
| 17 | "(A) the carbon intensity of the fuel used           |
| 18 | for each covered voyage;                             |
| 19 | "(B) the amount of fuel used for each cov-           |
| 20 | ered voyage; and                                     |
| 21 | "(C) the total greenhouse gas emissions              |
| 22 | measured in carbon dioxide equivalent for all        |
| 23 | covered voyages.                                     |
| 24 | "(3) Annual Report.—Not later than 6                 |
| 25 | months after the end of each annual reporting pe-    |

| 1  | riod under paragraph (2), the Administrator, in con-         |
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| 2  | sultation with the Secretary of Transportation and           |
| 3  | Commandant of the Coast Guard, shall publish a re-           |
| 4  | port that—   |
| 5  | "(A) compiles the data reported under                        |
| 6  | paragraph (2); and   |
| 7  | "(B) includes an explanation intended to                     |
| 8  | facilitate public understanding of—                          |
| 9  | "(i) the carbon dioxide equivalent                           |
| 10 | emissions of vessels on covered voyages;                     |
| 11 | and  |
| 12 | "(ii) the carbon intensity of fuels used                     |
| 13 | by such vessels.   |
| 14 | "(c) Enforcement.—The standards established                  |
| 15 | under subsection (a) and the annual reporting require-       |
| 16 | ments of subsection $(b)(2)$ shall be considered an emission |
| 17 | standard or limitation for purposes of section $304(a)(1)$ . |
| 18 | "(d) Definitions.—In this section:                           |
| 19 | "(1) CARBON DIOXIDE EQUIVALENT.—The                          |
| 20 | term 'carbon dioxide equivalent' means the number            |
| 21 | of metric tons of carbon dioxide emissions with the          |
| 22 | same global warming potential as one metric ton of           |
| 23 | another greenhouse gas, as calculated using Equa-            |
| 24 | tion A-1 in section 98.2(b) of title 40, Code of Fed-        |

| 1  | eral Regulations, as in effect on the date of enact-  |
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| 2  | ment of this section.                                 |
| 3  | "(2) CARBON INTENSITY.—The term 'carbon               |
| 4  | intensity' means the quantity of lifecycle greenhouse |
| 5  | gas emissions per unit of fuel energy, expressed in   |
| 6  | grams of carbon dioxide equivalent per megajoule.     |
| 7  | "(3) Carbon intensity baseline.—The term              |
| 8  | 'carbon intensity baseline' means the average carbon  |
| 9  | intensity of the fuel used by all vessels on covered  |
| 10 | voyages in calendar year 2024.                        |
| 11 | "(4) COVERED VOYAGE.—The term 'covered                |
| 12 | voyage' means any voyage of a vessel for the purpose  |
| 13 | of transporting passengers or cargo for commercial    |
| 14 | purposes—   |
| 15 | "(A) that is between any ports of call                |
| 16 | under the jurisdiction of the United States; or       |
| 17 | "(B) that is between a port of call under             |
| 18 | the jurisdiction of the United States and a port      |
| 19 | of call under the jurisdiction of a foreign coun-     |
| 20 | try.  |
| 21 | "(5) Greenhouse gas.—The term 'greenhouse             |
| 22 | gas' means carbon dioxide, methane, nitrous oxide,    |
| 23 | hydrofluorocarbons, perfluorocarbons, and sulfur      |

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hexafluoride.

"(6) Lifecycle 1 GREENHOUSE GAS EMIS-2 SIONS.—The term 'lifecycle greenhouse gas emis-3 sions' has the meaning given such term in section 4 211(o). "(7) Port of call.—The term 'port of call' 6 means the port where a vessel stops to load or un-7 load cargo or to embark or disembark passengers. 8 "(8) Vessel.—The term 'vessel' means a vessel 9 of 400 gross tonnage or more.". SEC. 3. IN-PORT MARINE VESSEL ZERO EMISSION STAND-10 11 ARDS. 12 Section 213 of the Clean Air Act (42 U.S.C. 7547) is amended by adding at the end the following: 14 "(e) In-Port Marine Vessel Zero Emission 15 STANDARDS.— 16 "(1) Standards.—Except as provided in para-17 graph (2) and not later than January 1, 2026, the 18 Administrator shall promulgate (and from time to 19 time revise) standards to eliminate, by not later than 20 January 1, 2030, emissions of greenhouse gases and 21 air pollutants for which air quality criteria have been 22 issued under section 108 from vessels at anchorage 23 or at berth in the contiguous zone of the United

States (as described in Presidential Proclamation

7219).

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"(2) EXCEPTION.—If the Administrator determines that standards required by paragraph (1) are not technologically or economically feasible, the Administrator shall promulgate standards that achieve the maximum reduction of such emissions from such vessels that is technologically and economically feasible.

"(3) Considerations.—In determining technological and economic feasibility under paragraph (2), the Administrator shall take into account the net reduction of emissions of greenhouse gases, the net reduction of emissions of air pollutants for which air quality criteria have been issued under section 108, and potential adverse impacts on public health, safety, and the environment, including with respect to air quality, water quality, and the generation and disposal of solid waste.".

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