

CRYSTAL  CRUISES®



CRYSTAL®  
C R U I S E S

Joseph Valenti  
Senior Vice President  
Marine Operations

## **Cruise Panel**

**AAPA Cruise Seminar  
February 2008**

**Key cruise issues and their  
relevance to the port industry**

## Company Profile

- Corporate Office – Los Angeles
- Two Ships
  - Crystal Symphony (940 berths)
  - Crystal Serenity (1,080 berths)
- Worldwide Operations (~ 150 ports/year)



CRYSTAL  CRUISES®





CRYSTAL  CRUISES®





CRYSTAL  CRUISES®





CRYSTAL  CRUISES®



## Durbin Wastewater Legislation

- High probability of success if national change in parties in US
- Prohibit all discharges within 12 n/m from cruise ships
- Permits discharge with Advanced Wastewater Treatment Plant (AWP) from 12 n/m to 200 n/m – **problem for AWP**s
- Permit discharge from Type II Marine Sanitation Device (MSD) from 200 n/m and beyond – **conflict with MARPOL**
- Applies to Black and Grey water
- All sludge to be discharged ashore – **many ports will not accept**
- Hazardous waste to be handled and landed as per RCRA
- Applies to new vessels within 2 years and existing vessels within 5 years



## California Cold Ironing Regulations

- Final regulation expected out late February
- Issues:
  - No international standard
  - Cycles are different in US vs. Europe
  - Presently location of all equipment (transformers) not specified (shore-side or onboard)
  - Emission levels specified as alternative for NO<sub>x</sub> and PM not attainable with current engine technology
  - What happens when there is a power emergency in the area or urgent need for ship to depart?

## Air Emissions and Fuel Sulfur Content

- Current Situation

- MARPOL Annex VI, 4.5% Sulfur
- In (SOx Emission Control Areas) SECAs, 1.5% Sulfur
- 0.5% or MGO required within 24 n/m of California, enroute to CA port - **contested, but still in force**
- 1.5% Sulfur voluntarily, in Venice, IT
- Norway imposed NOx tax for vessels operating within 2 or more ports – cost Crystal \$170,000 for one coastal voyage – **one month's notice given!**



## Air Emissions and Fuel Sulfur Content (cont)

### • The Future

- US has ratified Annex VI, implementing laws expected soon.
- West Coast SECA from Alaska to Mexico possible.
- East Coast expected to follow
- Intertanko → All shipping to distillate by 2011
- Bimco → lower sulfur to 3% in 2012, 1.5% in 2015  
SECAs to 1.0% in 2011, 0.5% in 2015
- US → enlarge SECAs, cap to 1.0% in 2010 and 0.5% in 2015
- Sec. General IMO → Established study group, results expected this week
- Boxer (US Senator) → 0.1% within 200 n/m of US West Coast by 2011 and limits for other US coast lines to be determined by EPA.

## Air Emissions and Fuel Sulfur Content (cont)

- Issues
  - Where will all the distillate fuel come from?
  - Shifting from one fuel to another isn't that easy.
  - Cruise ships are not tankers.
- Cruise Industries desire
  - Uniform/predictable requirements worldwide
  - To contribute their part towards reduction of global warming/air pollution.



## Customs & Border Protection

- US Cabotage New Interpretive Rule
  - Foreign port is legitimate POC only if
    - stop lasts @ least 48 hours
    - Time spent @ foreign port > 50% of total time spent @ US POCs
    - Guest go ashore @ FPOC

## Bits & Pieces

- CBP Issues - US & Elsewhere
  - Cruise ships must send pax. manifests 60 minutes prior to departure
  - Getting clearance for last minute service vendors
  - Proper Crew Handovers
  - Terminals shut down till ship is cleared
  - Inconsistencies in regulations
- Port practices
  - Criteria for accepting reservations
  - Posting # of cruise ships scheduled on net



## Bits & Pieces

- Port practices (cont)
  - Lack of reception facilities – sludge
  - Placement of cruise ships
  - Fenders at berths
  - Baggage Handling



CRYSTAL  CRUISES®

We're In This Together





CRYSTAL  CRUISES®

