



Client Alert 18-2018

August 01, 2018

Panama Canal Transit

Clarification on Fuel Type and Changeover Requirements

We refer to our earlier Client Alert 10-2017, issued on April 21, 2017, describing the requirement for **vessels transiting through the Panama Canal to use light fuel with a maximum Sulfur content of 3.5%**, unless fitted with operational & approved exhaust gas cleaning systems (scrubbers).

Since that time, several clarifications have been sought by our clients on these regulations, most often to do with the area(s) of coverage, equipment affected and types of fuel found acceptable. ECM Panama has been instrumental in obtaining answers to these questions, which were then relayed to the relevant clients. Some of this information has been included by the Panama Canal Authority (ACP) in Section 30 of their latest [Panama Canal OP Notice to Shipping N-1-2018](#) dated January 1, 2018.

In order to ensure that all our clients are familiar with these requirements, we have listed the most common questions below, with the corresponding answers provided by the ACP/ECM Panama.

Q : What are the outer boundaries of “Canal Waters,” where these regulations apply?

A : The outer boundaries of Canal Waters are those of the Pacific and Atlantic anchorage areas, as indicated in US nautical charts DMA No.21603 and DMA No.26068 respectively. The equivalent Admiralty charts for these regions are BA 1401 and BA 3111 respectively.

Q : Do these regulations require the use of only distillate fuels? What is the definition of “hybrid” fuel? Is IFO accepted as a hybrid fuel? If not, which hybrid fuels are acceptable?

A : For the purpose of the maneuvering fuel requirements, vessels must make Canal transits using light fuel or a hybrid fuel.

- **Light fuel** is a distillate marine fuel as classified by ISO 8216-1:2017 and having the specifications detailed in ISO 8217:2017.
- **Hybrid fuel** is a blended product with specifications that resemble some types of heavy fuel oils (HFO), and are designed to minimize the various operational problems presented by the change-over process from heavy fuel oil to light fuel oil, while having good net calorific values and complying with statutory environmental requirements. Due to their recent development, hybrid fuels are **not** categorized within the ISO 8217 standard.

Intermediate Fuel Oil (IFO) must meet RME or RMG categories of the ISO 8217 standard; therefore, these are strictly residual fuels or heavy fuels as defined in ACP regulations and should not be used.

ECM Corporate Headquarters

1 Selleck Street— Suite 1C
Norwalk, CT 06855, USA

24 Hr. Tel: 1.203.857.0444 email: ecm@ecmmaritime.com

Fax: 1.203.857.0428 website: www.ecmmaritime.com

Hybrid fuels, by contrast, are not standardized because each fuel supplier concocts an end product that cannot be placed into one of the categories under ISO 8217. Only a close inspection of the Bunker Delivery Note (BDN) can provide an indication about the type of fuel on board. Submitting the BDN beforehand to the ACP will allow them to determine if the fuel is indeed a hybrid, and consequently suitable for Canal transit.

Q : When must the changeover to light fuel take place? Should it be completed before entering Canal Waters or 2 hours prior to the scheduled Canal pilot boarding time?

A : Main propulsion engines must be changed over to light fuel before entering Canal Waters, even if the vessel is not scheduled to make a Canal transit on arrival. This is to ensure that in case the vessel anchors to await her scheduled transit time, the main engine fuel system will have been flushed through and all heavy fuel replaced by compliant low-Sulfur light fuel.

However auxiliary engines, boilers, etc. are permitted to operate on heavy fuel inside Canal Waters, as long as they are changed over to light fuel at least 2 hours prior to the scheduled pilot boarding time for Canal transit.

The following table provides a quick reference guide of the maneuvering fuel requirement.

Purpose and action upon arriving to Panama Canal waters	Fuel in Main Engine	Fuel in Auxiliary Engine, Boiler, etc while at anchorage or port terminal	Fuel in Auxiliary Engine, Boiler, etc while transiting the Panama Canal
Vessel will transit on arrival	Light (1)	N/A	Light(1)
Vessel will anchor or will visit a port terminal prior to transit	Light (1)	Heavy (3)	Light (2)
Vessel will only visit a port terminal, and will not transit before or after said visit	Heavy	Heavy	N/A

(1) This changeover must be completed before arriving in Canal waters (i.e. before entering anchorages).

(2) This changeover must be completed at least two hours prior to the scheduled pilot time.

(3) Only if vessel has segregated fuel lines to main engine and auxiliaries. If not, then only light fuel allowed.

Questions and/or comments should be directed to ecm@ecmmaritime.com

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Norwalk, CT 06855, USA

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