Honorable Lisa Murkowski  
Chair, Committee on Energy and Natural Resources  
United States Senate  
304 Dirksen Senate Office Building  
Washington, DC 20510  

December 9, 2019  

Dear Chairman Murkowski:  

ConservAmerica represents thousands of conservatives and other citizens who are dedicated to creating and supporting practical solutions for today’s environmental, energy, and conservation challenges. Our core belief is that a strong economy and a clean environment go hand-in-hand.

We write to offer our views in connection with the Committee’s December 10, 2019, hearing on the International Maritime Organization’s (IMO) new global sulfur standard for marine fuels, which is set to take effect on January 1, 2020, and is informally known as IMO 2020.

As you know, IMO 2020 will require the reduction of sulfur content in maritime bunker fuel to 0.5%. ConservAmerica has monitored developments regarding IMO 2020 and while we have expressed reservations in the past, we recognize that significant progress that has been made to prepare for this rule. Therefore, we support its timely implementation.

Refiners and shippers have been aware of the required changes related to IMO 2020 for over a decade. Experts have found that changes in fuel should not affect U.S. supply chains, meaning that IMO 2020 can be implemented on time with little to no impact on consumers. Actual petroleum product prices are far more sensitive to crude market developments than to anything related to IMO standards. Indeed, the timely implementation of IMO 2020 is one of the few initiatives with the strong support of the environmental community, refiners, and the shipping industry.

ConservAmerica believes that market-based solutions are an important element of environmental compliance. In the case of IMO 2020, meeting the deadlines long envisioned under this program allow for the regulated community to realize the full potential of significant investments in enhanced flexibility at refineries. In addition, IMO 2020 can stimulate the development of new markets for other clean maritime fuels like liquefied natural gas. As a recent analysis from...
Lazard Asset Management stated that the U.S. “is very well placed” to take advantage of “big emerging markets” for cleaner maritime fuels resulting from IMO 2020.

The significant benefits for American energy markets described above can be realized while slashing marine-sector air emissions in international waters, thereby constituting the largest reduction in the sulfur content of fuel undertaken at one time. IMO estimates that this new standard will prevent over 570,000 premature deaths between 2020 and 2025.

As we have stated before, we endorse the IMO goals, as maritime sulfur pollution presents a threat to human health and the environment. We look forward to the timely implementation of IMO 2020 and all the benefits that it will provide.

Sincerely,

Jeffrey Kupfer
President
ConservAmerica