

April 15, 2020



Re: Letter of Understanding to participate in the voluntary 2020 Vessel Speed Reduction (VSR) Incentive-Based Program in the San Francisco Bay Area and the southern California Regions

Shipping Line _____ agrees to participate in the 2020 VSR program, with incentive funds administered by the California Marine Sanctuary Foundation. In order to participate,

Shipping Line _____ agrees to the following:

- 1) Identify all eligible vessels (i.e., container ships or Ro-Ros) in your company fleet that may transit the designated VSR Zones (refer to maps of VSR Zones in Attachment A) between May 15 and November 15, 2020.
- 2) For the southern California and San Francisco Bay regions, all vessels expected to transit within the VSR Zones should be enrolled, regardless of historic speeds in these areas. See Attachment A for maps of VSR Zones and additional information regarding routing.
- 3) If the company has vessels that call on the Port of Los Angeles and/or Port of Long Beach, the company must participate in the Ports' VSR programs.
- 4) Allow the respective air quality districts and sanctuaries to transmit to the California Marine Sanctuary Foundation a letter of payment approval.
- 5) Understand that only companies whose fleets travel 50 percent or more of the distance at 10 knots or less are eligible for financial awards. Furthermore, the average speed of a transit through an entire VSR Zone must not exceed 12 knots to earn credit for distance traveled at 10 knots or less. Different award structures will be used for companies with large fleets (30 transits or more in the VSR regions during the time period) and small fleets (5-29 transits). Companies with less than five transits are not eligible for incentives. The awards and positive press that a particular company will receive will be based on the percent distance traveled, the size of the fleet, how many other shipping companies with fleets of that size were able to reach that percentage, and which VSR Zones were transited.

Below are the 2020 award tiers:

<i>Blue Sky:</i>	25% or more of distance traveled at 10 knots or less
<i>Gold:</i>	50% or more of distance traveled at 10 knots or less
<i>Sapphire:</i>	75% or more of distance traveled at 10 knots or less

6) Expect to receive a designated payment from the California Marine Sanctuary Foundation no later than April 1, 2021. **Option to waive your incentive payment:** If your company chooses to forgo a financial incentive payment, these funds will be consolidated towards the ongoing Vessel Speed Reduction program effort and your company will receive additional recognition.

7) Allow for participation in public recognition campaigns - all shipping lines that participate in the program will be recognized for their participation. Shipping lines that achieve at least 25 percent of distance traveled in the VSR Zones at 10 knots or less* will be recognized through various media, news releases, announcements, and award events. **Note*:** credit will only be given if the average speed of a transit through an entire VSR Zone does not exceed 12 knots.

8) Understand and agree that decisions concerning safe navigation and maneuvering of participating vessels remain entirely with ship masters and crew. The Protecting Blue Whales and Blue Skies partners are not liable for any loss, damage, or harm resulting from participation in this incentive program.

9) Understand that this incentive program is strictly voluntary. If unable to meet the program criteria, there is no penalty. However, financial and positive public recognition incentives will not be awarded.

For more information on this incentive program, including a promotional film titled: "Protecting Blue Whales and Blue Skies," please visit <https://www.ourair.org/air-pollution-marine-shipping/>. Please return this signed Letter of Understanding and Sign Up Form **by email** to Jessica Morten (jessica.morten@noaa.gov) at Channel Islands National Marine Sanctuary by May 10, 2020.

In signing this Letter of Understanding, the undersigned recognizes and accepts the roles and responsibilities assigned to each party.

Signature: _____ Date: _____

Print Name and Title

Thank you,

Alan Arvin, Executive Director
California Marine Sanctuary Foundation

PROTECTING BLUE WHALES AND BLUE SKIES



A partnership for cleaner air, safer whales, and quieter oceans

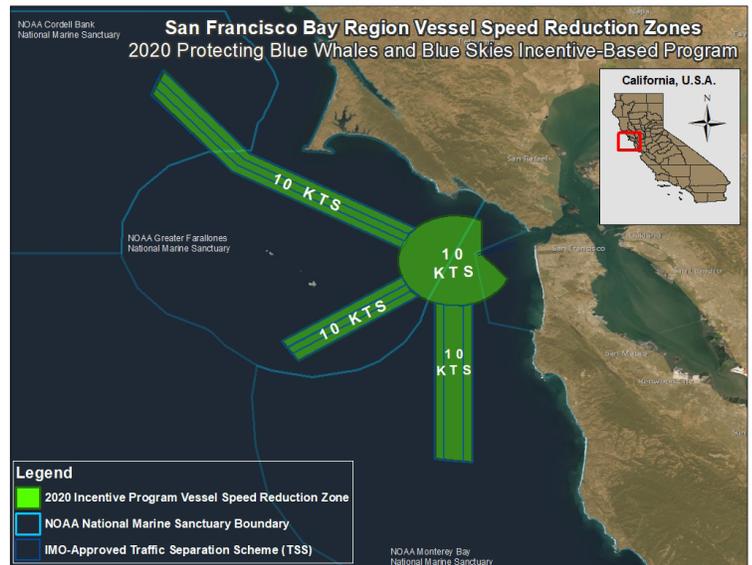
Join our 2020 Vessel Speed Reduction (VSR) Incentive Program San Francisco Bay Area and southern California regions

Fleet Approach

Financial incentives will be awarded to shipping companies based on percent of distance traveled by all of their vessels through the VSR zones (see maps to the right) at 10 knots or less from May 15-November 15, 2020. For the distance at 10 knots to qualify for the VSR incentive program, the average speed through the VSR zone for the vessel's transit must be 12 knots or less.

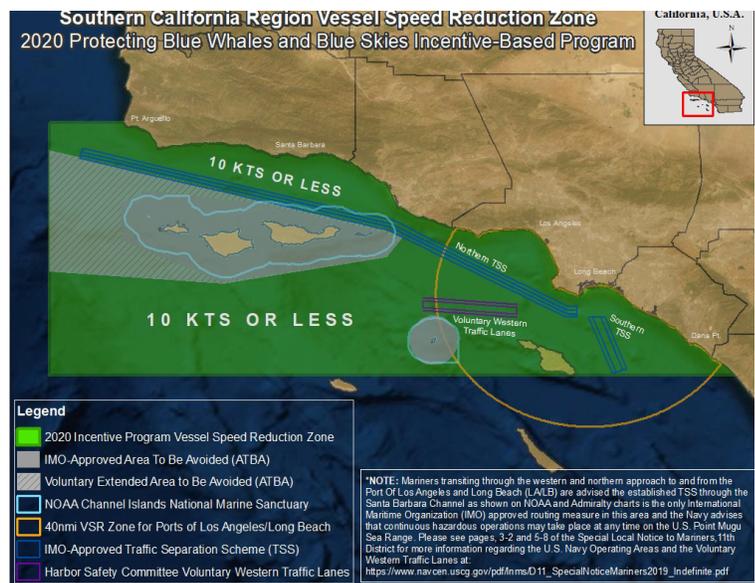
Program participants will receive recognition for their participation, and we will work with successful shipping companies on a positive public relations campaign to draw public awareness to the VSR program and your company's participation. In addition, close to \$200,000 is available for incentive awards, and award amounts will be scaled according to each company's level of participation.

Only containerships and auto carriers/Ro-Ros are eligible.



How to Sign Up Your Shipping Company

- 1 Use form on back to provide company contact information.
- 2 Sign a Letter of Understanding (see page 2) with the California Marine Sanctuary Foundation to receive incentive payments.
- 3 Email these materials to jessica.morten@noaa.gov



For larger-size maps, additional forms and information, see www.ourair.org/air-pollution-marine-shipping/

Sign Up Form

Shipping Company Name:

Work Phone:

Cell Phone:

Full Name of Shipping Company Main Contact:

Email:

Business Street Address:

Preference:

City:

State:

Phone

Email

Country:

Zip:

Do vessels call the Port of
Long Beach or Port of Los
Angeles?

If Yes, does the company partic-
ipate in VSR Programs at those
Ports?

Yes

No

Yes

No



Email this form to:

Jessica Morten

Email: jessica.morten@noaa.gov

Questions? Email or Phone: +1 (805) 893-6433

Thank you for participating in our 2020 VSR Incentive Program!

More information posted at www.ourair.org/air-pollution-marine-shipping/