

Vessel Speed Reduction Incentive Program

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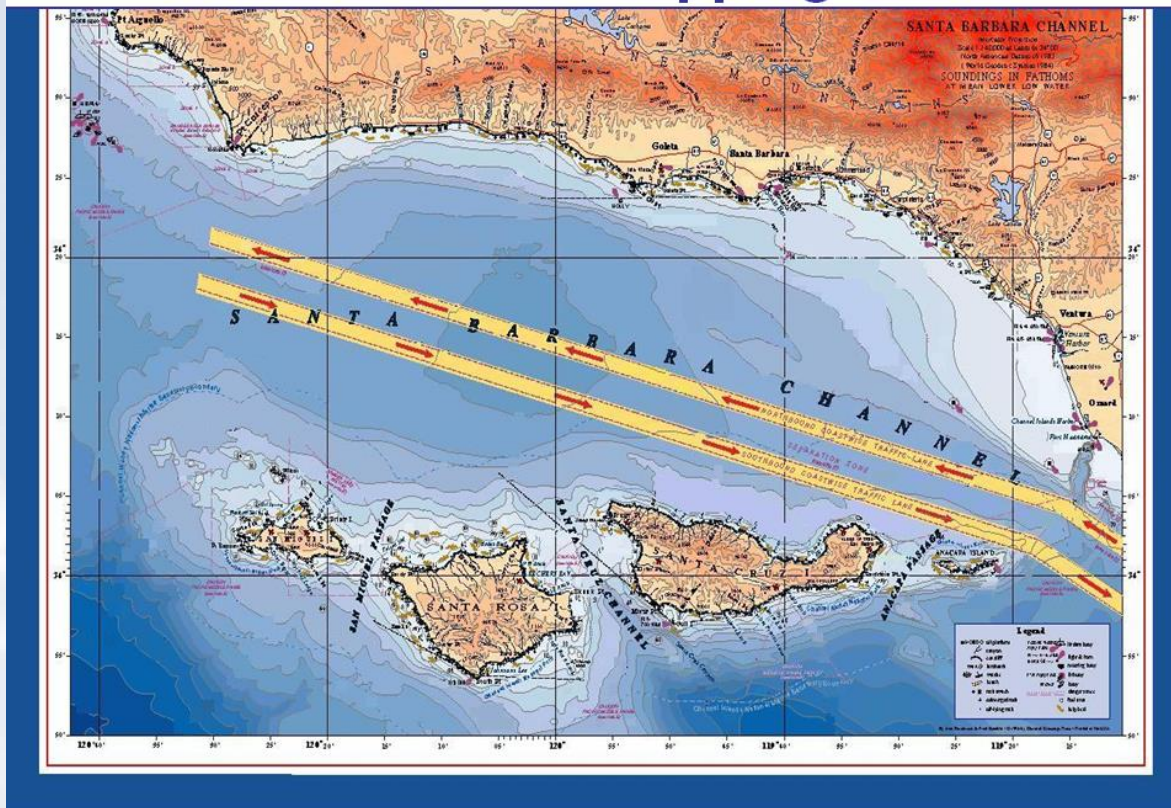
March 21, 2013

*Photo of blue whale in Santa Barbara Channel
by John Calambokidis, Cascadia Research*

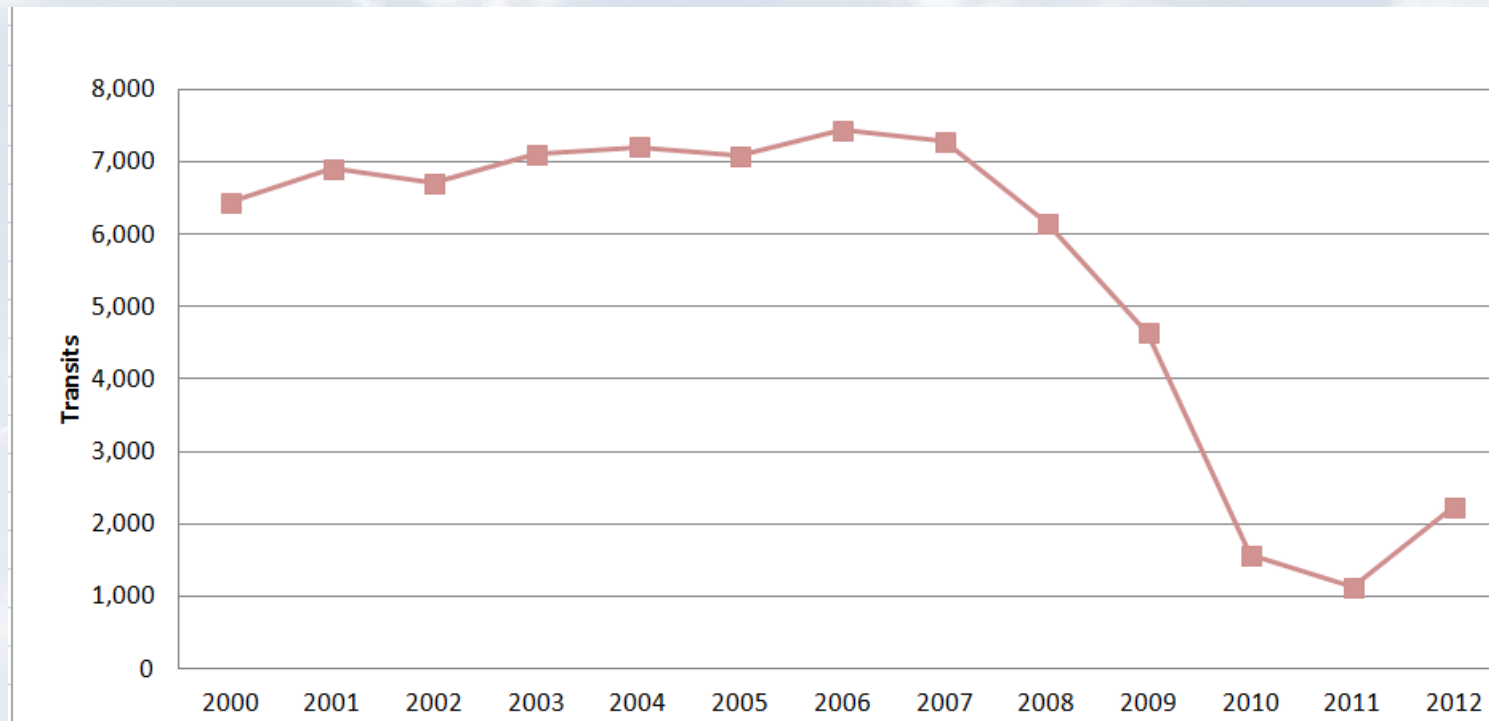
Existing Shipping Lanes

Designated by International Maritime Organization

Santa Barbara Shipping Lanes



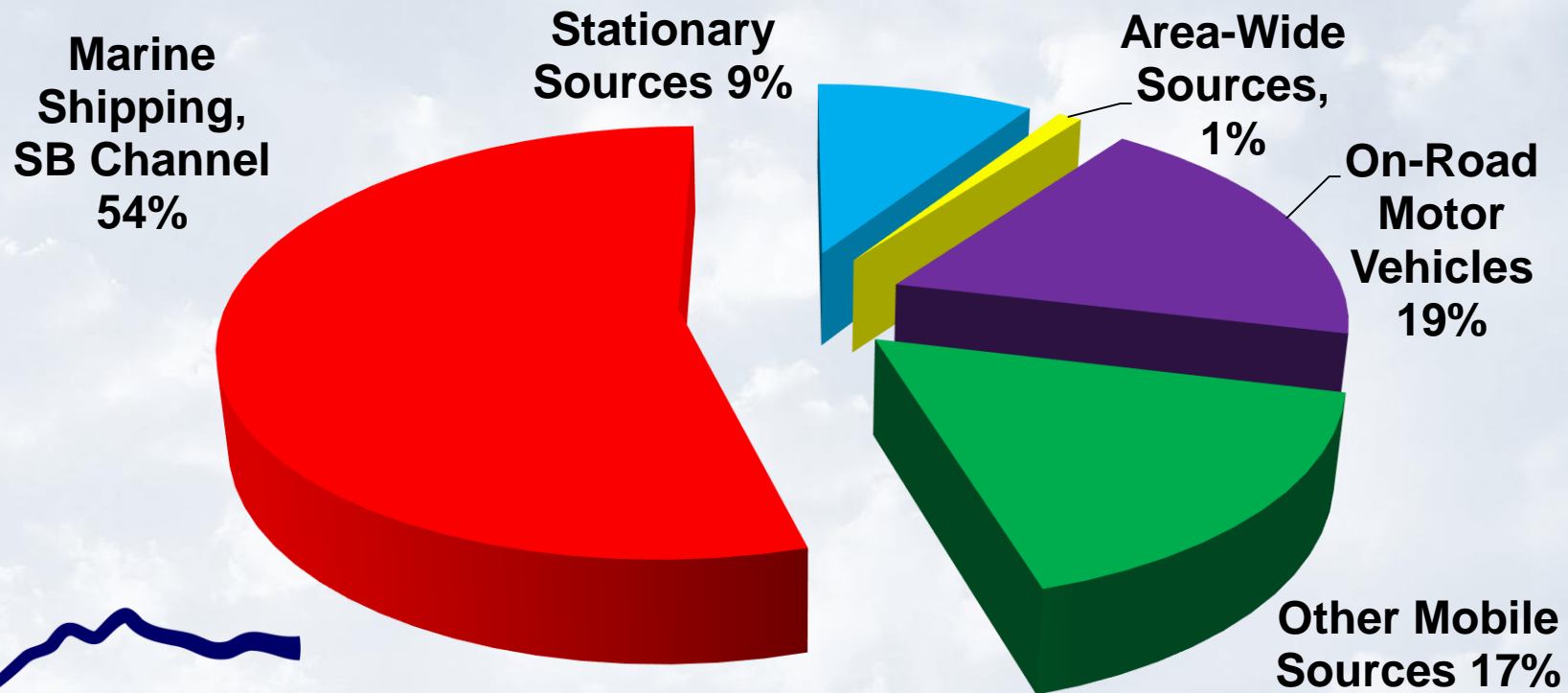
Number of Transits Through Santa Barbara Channel



NOx Emissions from Shipping

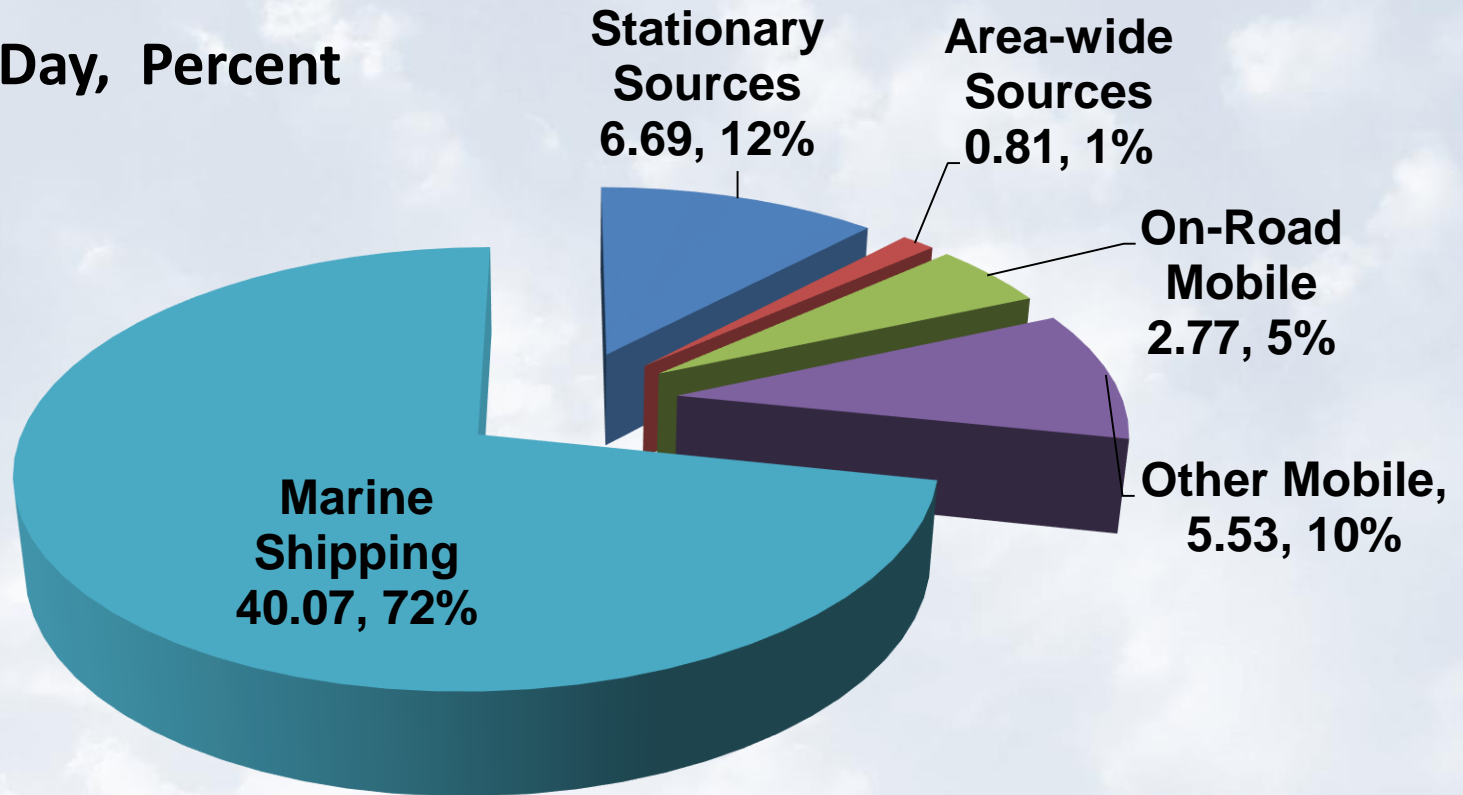
- Large emissions source
 - Threatens ability to attain ozone standards

County Sources of NOx (2010 Clean Air Plan)



Projected 2030 NOx Emissions Santa Barbara County With Existing Rules—Without Additional Action

Tons/Day, Percent



Strategy: Vessel Speed Reduction

- Achieves near-term NOx reductions
- Multiple co-benefits
- Voluntary strategy
- Based on program successfully implemented at Ports of LA and Long Beach



VSR Initiative Overview

- Voluntary, incentive-based program
- Extension of Ports program
- Phase 1 (1-2 Years)
 - Develop mechanisms
 - Implement demonstration program from Ports through Santa Barbara Channel
- Phase 2
 - Roll-out to CA coast



Funding Opportunity

- AB 1532 - Greenhouse Gas Reduction Plan
 - 3-Year plan for investing state Cap-and-Trade auction proceeds
 - Initiative achieves GHG reductions
 - Aligns with state's clean transportation, sustainable freight strategy
 - Regional collaborative
 - Multiple co-benefits

Benefits for Santa Barbara County

- **Benefits for air quality & public health**
 - Additional reductions in particulate, air toxics, NOx
- **Benefits for County businesses**
 - Near-term NOx reductions, relieving pressure on businesses; helps attain air standards
 - NOx is ozone-forming pollutant
 - County does not attain state ozone standard
 - Attains federal ozone standard by small margin; federal standard may be tightened in 2014
- **Protection for whale species off coast**

Pursuing Funding and Partners

- California Air Resources Board
 - Feb. 25 and Feb. 27 workshops; meetings with CalEPA and CARB
 - Support letters from partners and stakeholders
- Pursuing additional support (ongoing)
 - Discussions with shipping lines, shipping associations, ports, other agencies and air districts, County and City leaders, businesses



NATIONAL MARINE
SANCTUARIES
CHANNEL ISLANDS



environmental
DEFENSE CENTER



BAY AREA AIR QUALITY
MANAGEMENT DISTRICT

Timeframe

- Investment Plan for Cap-and-Trade auction proceeds (draft due early April)
- Additional comment period (end of April)
- Plan finalized by Dept. of Finance (May)



Photo by John Calambokidis, Cascadia Research

Action Requested

- Authorize Board Chair to sign letter of support
 - Send now to California Air Resources Board
 - We will attach/resubmit at next comment opportunity