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Board Agenda Item

TO: Air Pollution Control District Board

FROM: Dave Van Mullem, Air Pollution Control Officer

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SUBJECT: Marine Shipping-- Vessel Speed Reduction Incentive Trial Program

RECOMMENDATION:

- 1) Receive an update on a proposed marine shipping Vessel Speed Reduction (VSR) incentive trial program in the Santa Barbara Channel; and
- 2) Authorize the Chair to execute a Memorandum of Agreement with the National Marine Sanctuary Foundation for the District to contribute funds to the VSR program.

DISCUSSION:

Large ships transiting the Santa Barbara Channel are a major source of air pollution for Santa Barbara County, and the District has been working on a variety of initiatives to address this problem. Reducing vessel speed cuts emissions of several air pollutants significantly, and also aids in the protection of endangered whale species. To achieve both air quality and marine protection benefits, the District is working with the National Oceanic and Atmospheric Administration Channel Islands National Marine Sanctuary (NOAA-CINMS) and the Environmental Defense Center on a collaborative effort to initiate a voluntary VSR incentive trial program in the Santa Barbara Channel this summer. The trial program will be modeled after the successful VSR incentives programs at the ports of Los Angeles and Long Beach (in place for more than a decade).

With input from the shipping industry we have finalized the trial program parameters, and have reached out to the shipping companies for participation (see attachments 1 and 2). For the trial VSR program, the District's role will primarily be to pre-qualify ships that register for the program and to assist with speed verification before payments are made. The National Marine

Sanctuary Foundation, a nonprofit organization that supports the national marine sanctuaries, will handle grant funds and manage incentive payments to participating shipping lines. The Foundation has recently worked with NOAA-CINMS and a shipping industry association on joint initiatives. A Memorandum of Agreement between the District and the Foundation (attachment 3) lays out the terms for handling of the grant funds.

Grant funding of \$20,000 was obtained from the Santa Barbara Foundation to initiate the VSR trial within the Channel. The District is contributing in-kind labor and proposes to contribute \$25,000 in District budgeted grant funds to the trial program. It is anticipated that incentive payments to participating shipping companies along with public recognition will foster interest in the trial.

This VSR trial is designed to strengthen the foundation for a larger scale program in future years. We have discussed the trial program with the California Air Resources Board and continue to explore funding opportunities for a long-term VSR program.

Attachments:

- 1) Letter to Shipping Industry describing VSR trial goals and program elements
- 2) VSR trial Letter of Understanding between National Marine Sanctuary Foundation and Shipping Lines
- 3) Memorandum of Agreement between the District and the National Marine Sanctuary Foundation