



June 19, 2018

RE: 2018 voluntary Vessel Speed Reduction (VSR) incentive program for the Santa Barbara Channel and San Francisco Bay Area regions off California

Dear Carrier Representative:

We are implementing a 2018 VSR incentive program July 1-November 15, 2018 to reduce air pollution and fatal ship strikes on whales. For the 2018 Program, financial incentives will be awarded to companies based on percent of distance traveled by their vessels through the VSR Zones at 10 knots or less, termed “percent cooperation,” during the identified time period. Average speed of a transit throughout the entire VSR Zones must not exceed 12 knots in order to receive credit for distance traveled at 10 knots or less. Close to \$300,000 is available for incentive awards and amounts will scale with the percent cooperation, and will range from \$1,000 to up to \$35,000 (or greater) per company. Overall there is less funding available for awards for the Bay Area than for the Channel region.

The California Marine Sanctuary Foundation will manage the incentive payments to individual shipping lines; please see the Letter of Understanding. Each vessel’s speed transiting the VSR Zones will be verified via Automatic Identification System (AIS) data. Vessels that call on the Ports of Los Angeles and/or Long Beach must participate in one of the ports’ VSR incentive programs.

In addition to the financial award for companies that meet requirements, 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. Participation is voluntary and does not commit shipping industry participants beyond the program period. If companies are enrolled in the program and unable to meet the minimum program criteria, there is no penalty but financial incentives will not be awarded.

Advantages to shipping companies of the 2018 incentive program structure include the following.

- The 10-knot target is consistent with the target speed for voluntary Whale Advisory Zones which overlap with VSR Zones.
- Sign up for shipping companies is greatly streamlined. Just provide a list of the vessels (with IMO and MMSI numbers, including charter or alliance vessels under the company’s control) expected to transit one of the VSR Zones July 1-November 15, 2018.
- There is no longer a requirement that the vessel must have historically transited the region. Vessels that are coming to the region for the first time can be part of the program.
- There is no longer a requirement that previous transits must have been at higher speeds.

- The system is set up to reward companies with vessels already transiting at lower speeds.
- A fleet-based approach will also be used in the 2019 program next year.

While the scope of the program is limited to the Santa Barbara Channel and San Francisco Bay Area regions (see Attachment A), air pollution, greenhouse gas emissions, and the threat of ship strikes on whales extends beyond these regions. Every effort should be made by participating vessels to not increase speed over the registered vessel's historic baseline speeds while outside the VSR Zones to "make up time." Ship speed monitoring using AIS may occur between the Santa Barbara and San Francisco Bay Area region VSR Zones to determine if ships are speeding up between Zones.

Please note this VSR incentive program complements existing seasonal whale advisories in effect in the Santa Barbara Channel and San Francisco Bay Area regions. The National Oceanographic and Atmospheric Administration (NOAA) strongly recommends that all vessels 300 gross registered tons or larger reduce speeds to 10 knots or less in these vessel slow speed zones. For more information on the seasonal whale advisories, please consult the Eleventh Coast Guard District Local Notice to Mariners.

To enroll in the program, companies will be required to sign a Letter of Understanding (see Attachment B) and provide the name and MMSI and IMO numbers for all vessels under the company's control which are scheduled to transit the VSR Zones during the program period (see Attachment C). To enroll your company, please return the completed and signed Letter of Understanding (Attachment B) and fillable PDF Sign Up Form (Attachment C) to Lindsay Marks of NOAA Channel Islands National Marine Sanctuary (contact information provided below). Please enroll by June 30th if possible and no later than **July 10, 2018**.

For more information about the VSR incentive program, watch "Protecting Blue Whales and Blue Skies," a promotional film found at <https://www.ourair.org/air-pollution-marine-shipping/>. Please also see Attachment D to learn how to report sightings of endangered whales.

Enrollment materials, comments or questions may be directed to:

*Contact:* Lindsay Marks

*Address:* NOAA Channel Islands National Marine Sanctuary  
University of California Santa Barbara  
Ocean Science Education Building 514, MC 6155  
Santa Barbara, CA, 93106-6155

*Phone:* +1 (805) 893-6425

*Fax:* +1 (805) 893-6438 (ATTN: Lindsay Marks)

*Email:* [lindsay.marks@noaa.gov](mailto:lindsay.marks@noaa.gov)

We believe by working together we can maintain vibrant maritime commerce, enhance corporate responsibility, and protect human health and the marine environment. We thank you in advance for considering your company's participation in the VSR incentive program.

Sincerely,

The Partners in the Vessel Speed Reduction Incentive Program for 2018 in the Santa Barbara

Channel and San Francisco Bay Area regions

Cc: Pacific Merchant Shipping Association

Attachments:

- A. Maps of the VSR Zones in the Santa Barbara Channel and San Francisco Bay Area Regions
- B. Letter of Understanding
- C. Sign Up Form
- D. Whale Sightings Report