



1113 Mississippi Avenue, Suite 108  
St. Louis, MO 63104

PHONE: 314.308.0378  
EMAIL: [lmuench@americanwaterways.com](mailto:lmuench@americanwaterways.com)

Lynn M. Muench  
Senior Vice President – Regional Advocacy

October 11, 2021

Mr. David C. Quiros  
Manager, Freight Technology Section  
Transportation and Toxics Division  
California Air Resources Board  
1001 "I" Street  
Sacramento, CA 95814

Re: Request for 90-Day Extension for  
Comments to Proposed Amendments  
to the Commercial Harbor Craft  
Regulation

Dear Mr. Quiros:

I am writing to request a 90-day extension of the November 15, 2021, public comment deadline for the California Air Resources Board's (CARB) Proposed Amendments to the Commercial Harbor Craft Regulation. We also request a 90-day extension of the CARB public hearing currently scheduled for November 19, 2021.

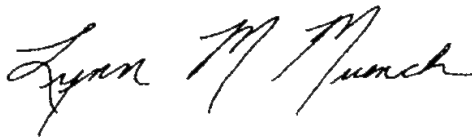
CARB has provided only 45 days for stakeholders to review and develop comments on the rulemaking package, which contains over 1,500 pages of material. Assuming it takes an average person approximately three hours to read 100 pages, it would take about 45 hours of dedicated reading time to read the entire rulemaking package. Significant additional time would be required to process the contents of this dense rulemaking and to provide CARB with thoughtful comments.

Careful analysis and thoughtful comments are essential because the rulemaking package includes new material and is unprecedented in its scope and impact. It will affect over 3,000 vessels operating in California waters and cost California's harbor craft industry approximately \$2 billion, according to CARB's estimate. Industry cost estimates are considerably higher. Additional time is needed because the rulemaking package is large and the scope of impact to California's harbor craft community is extraordinary.

This is not the first time that stakeholders have requested extensions or pauses to this regulatory process. Members of the California legislature, along with dozens of industry stakeholders, have requested extensions almost from the inception of the preliminary rulemaking process, which also happened to coincide with the onset of the COVID-19 pandemic. CARB has not been responsive to these requests, providing insufficient extensions of 30 days for the comment period on the preliminary March 2020 draft amendments and a 7-day extension from November 8 to November 15, 2021, for the current rulemaking. Several of those letters are reproduced below to provide context.

Although CARB has incorporated very little of AWO's substantive feedback from earlier iterations of this draft rule into the current final version, we are nonetheless optimistic that careful deliberation and genuine dialogue between CARB and its regulated community may help to improve the rule, if there is sufficient time to do so. Therefore, AWO hereby requests a 90-day extension to develop important feedback on this proposal that likely represents the most dramatic and costly regulation in the history of domestic commercial maritime operations in California. Allowing AWO and other heavily impacted stakeholders to submit public comments and testimony with greater clarity and comprehensiveness will provide CARB with the additional information needed to develop a regulation that improves air quality for the citizens of California in a meaningful and reasonable manner.

Sincerely,



Lynn M. Muench  
Senior Vice President – Regional Advocacy

CC: Patrick O'Donnell, Assemblymember, District 70  
Lena Gonzalez, Senator, District 33  
Dee Dee Myers, Senior Advisor and Director, Governor's Office of Business and Economic Development  
Liane M. Randolph, Chair, CA Air Resources Board

Attachments:

CARB CHC Proposal Comment Deadline Extension Request 03.12.20  
COVID Amendment – CARB CHS Proposal Suspension Request 03.18.20  
CARB Letter 04.21.20  
Harbor Craft Proposed Regs Letter 08.30.21



5315 22<sup>nd</sup> Avenue NW  
Seattle, WA 98107

PHONE: 203.980.3051  
EMAIL: [ccostanzo@americanwaterways.com](mailto:ccostanzo@americanwaterways.com)

Charles P. Costanzo  
General Counsel & Vice President – Pacific Region

March 12, 2020

Ms. Tracy Haynes  
Staff Air Pollution Specialist  
Transportation and Toxics Division  
California Air Resources Board (CARB)

Dear Ms. Haynes,

Thank you again for the opportunity to engage with CARB on its Proposed Concepts for Commercial Harbor Craft in California.

I am writing to request a 90-day extension of the March 31, 2020 public comment deadline for the Proposed Concepts. CARB has emphasized to the American Waterways Operators the importance of robust industry feedback on the Proposed Concepts for Commercial Harbor Craft in California, many of which are unprecedented within the tugboat, towboat, and barge industry. AWO appreciates CARB's willingness to consider modifications to the proposed concepts based on industry input, but the March 31, 2020 public comment deadline is insufficient for AWO to convene and engage a robust group of members and stakeholders to accurately assess:

- The feasibility of new-build technologies to meet CARB's proposed requirements;
- The ability of vessel operators and shipyards to accommodate CARB's proposed requirements for retrofits and upgrades;
- The viability of in-use proposals, including opacity testing and recordkeeping changes;
- The practicability of CARB's proposed compliance schedules.

A 90-day extension of the public comment period on the Proposed Concepts would allow time for AWO to develop feedback without interfering with CARB's proposed implementation timelines. Additionally, allowing AWO and other heavily-impacted stakeholders to submit public comments with greater clarity and comprehensiveness than those submitted after only several weeks of stakeholder and member engagement during a global public health crisis may save CARB staff additional time and research.

Sincerely,

Charles P. Costanzo



5315 22<sup>nd</sup> Avenue NW  
Seattle, WA 98107

PHONE: 203.980.3051  
EMAIL: [ccostanzo@americanwaterways.com](mailto:ccostanzo@americanwaterways.com)

Charles P. Costanzo  
General Counsel & Vice President – Pacific Region

March 18, 2020

Ms. Tracy Haynes  
Staff Air Pollution Specialist  
Transportation and Toxics Division  
California Air Resources Board (CARB)

Dear Ms. Haynes,

I would like to modify AWO's March 12, 2020 request for a 90-day extension of the public comment deadline for the proposed harborcraft rules considering the emergency measures required under the COVID-19 virus outbreak. AWO now requests that CARB suspend the rulemaking indefinitely.

This rulemaking is among the most significant regulatory measures for the California harborcraft fleet and will require robust industry collaboration to provide CARB with feedback from the regulated community. In addition to collaboration among the regulated community, AWO members need opportunities to work with engine and other equipment manufacturers, financial institutions, legal professionals, shipyards and maintenance facilities, and many others to fully understand the impact of the proposed rules and to assist CARB staff as requested. This collaboration simply cannot take place under existing national emergency circumstances, and the end of these circumstances is nowhere in sight.

In these extraordinary circumstances, it is reasonable for CARB to suspend the rulemaking to allow AWO members to focus on the important business of keeping crews healthy to ensure the continued functioning of our national maritime transportation system.

Please know that AWO shares CARB's goals of reducing air emissions from harborcraft and safeguarding the health of Californians and their environment. We look forward to working with you and your staff on this important rulemaking. For now, though, CARB needs to suspend it.

Sincerely,

A handwritten signature in blue ink that reads "Charles P. Costanzo".

Charles P. Costanzo

# CALIFORNIA LEGISLATURE

STATE CAPITOL  
SACRAMENTO, CALIFORNIA  
95814

April 21, 2020

Mary D. Nichols, Chair  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

Re: Rulemaking Impacting Essential Services Freight Transportation

Dear Chair Nichols,

The COVID-19 crisis has posed a fundamental threat to California's public health and our economy. In light of the economic impacts of this extraordinary event, it is imperative that the state government not only commit to slowing the spread of the virus, but also take the steps needed to protect our state's economy and employment opportunities for our working families.

Preserving the operations of our freight transportation system will be key to protecting our economy, keeping medical supplies moving, and ensuring that products are available on our store shelves during this unprecedented crisis. We thank Governor Newsom for recognizing that our goods movement industry and supply chains are "essential services" that must remain up and running during the pandemic. Without a fully functioning supply chain, we risk disrupting the delivery of critical medical supplies, the distribution of groceries, and billions of dollars in personal income, job opportunities, and tax revenue.

**As such, we request that the California Air Resources Board (CARB) put all current and proposed rulemakings regarding freight transportation and harbor craft on hold until January 2021.** This will ensure that the state can focus our essential transportation assets on delivering critical goods and providing transportation mobility options during this crisis.

We share CARB'S goal of protecting our air quality and the belief that we must base any new regulations on science, facts, air quality modeling, cost-effectiveness, and minimizing any negative impact on the statewide economy.

Over the past several weeks, COVID-19 has fundamentally transformed life as we know it in California, and it may take several months after the conclusion of this crisis before we can understand what the new baseline of our economy and environment will look like. Therefore, it is necessary for regulators to pause and reevaluate any proposed regulations based on our new reality once the crisis has subsided.

We are hopeful that by January 2021, we can evaluate COVID-19's impact on our state and work together to achieve the best environmental and economic outcomes for all Californians.

Sincerely,



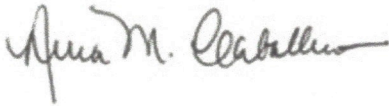
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Patrick O'Donnell  
Assembly District 70



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Patricia C. Bates  
Senate District 36



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Anna M. Caballero  
Senate District 12



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Wendy Carrillo  
Assembly District 51



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Phillip Chen  
Assembly District 55



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Jordan Cunningham  
Assembly District 35



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Tom Daly  
Assembly District 69



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Bill Dodd  
Senate District 3



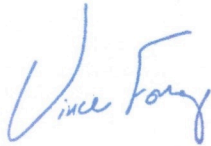
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Tyler Diep  
Assembly District 72



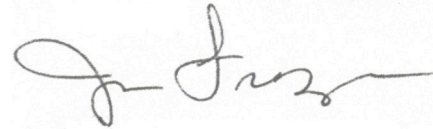
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Heath Flora  
Assembly District 12



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Vince Fong  
Assembly District 34



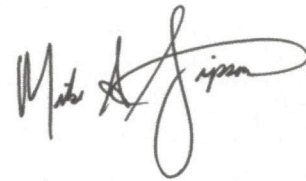
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Jim Frazier  
Assembly District 11



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James Gallagher  
Assembly District 3



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Mike A. Gipson  
Assembly District 64



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Timothy S. Grayson  
Assembly District 14



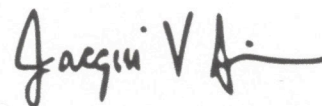
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Shannon Grove  
Senate District 16



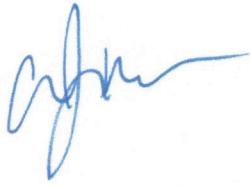
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Melissa Hurtado  
Senate District 14



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Jacqui Irwin  
Assembly District 44



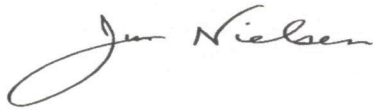
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Chad Mayes  
Assembly District 42



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John M. W. Moorlach  
Senate District 37



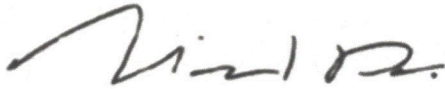
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Jim Nielsen  
Senate District 4



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Jay Obernolte  
Assembly District 33



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Richard Pan  
Senate District 6



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Jim Patterson  
Assembly District 23



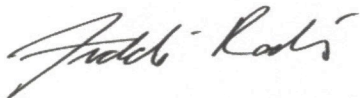
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Sharon Quirk-Silva  
Assembly District 65



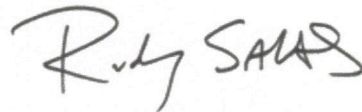
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James C. Ramos  
Assembly District 40



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Freddie Rodriguez  
Assembly District 52



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Rudy Salas  
Assembly District 32



*Miguel Santiago*

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Miguel Santiago  
Assembly District 53

*T. Umberg*

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Thomas J. Umberg  
Senate District 34

*Scott Wilk*

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Scott Wilk  
Senate District 21

cc: The Honorable Gavin Newsom, Governor  
The Honorable Eleni Kounalakis, Lieutenant Governor  
Jared Blumenfeld, Secretary for Environmental Protection, CalEPA  
Chris Dombrowski, Acting Director, Governor's Office of Business and Economic Development

# California Legislature

August 30, 2021

Ms. Liane M Randolph  
Chair, California Air Resources Board (CARB)  
1001 I Street  
Sacramento, CA 95814

RE: Harbor Craft Emissions Regulations

Dear Chair Randolph,

Please consider the following concerns regarding proposed draft regulations on commercial harbor craft vessels that will be coming before the Board in the next few months. While we support efforts to improve air quality, the proposed harbor craft engine emissions control regulations slated for publication in late September will have a significant impact on maritime businesses, tourism, local revenues and affordable ocean access for all Californians.

The regulations will require passenger vessels and ferries; tugboats and barges; pilot boats; sportfishing boats; and marine construction vessels to either retrofit or replace vessels that CARB staff has conservatively estimated to cost over \$2 billion. These vessels are critical to California's transportation, recreation, international trade, and construction industries as well as residents who rely on ferries to travel to/from their homes.

**Technology does not exist for some vessels and will pose safety risks for others:** The proposed regulations will require technology that does not exist for many harbor vessels and will require operators to build new larger vessels to accommodate the weight and size of the mandated equipment. In other cases, we understand a Cal Maritime Academy study concluded, and the U.S. Coast Guard has expressed concerns, that the added mass, weight, and energy requirements of Tier 4 engines with diesel particulate filters would significantly impact vessel safety and stability – leaving one passenger vessel operator with a Hobbesian choice of retrofitting a vessel for \$12 million or building a new vessel for \$20 million. CARB must consider the immediate safety risk to passengers and crew in addition to long-term health effects.

**CARB's proposed solution would reduce passenger load and increase ticket prices:** Due to the additional weight of the mandated engines and diesel particulate filters, vessels such as ferries and sportfishing boats would have to reduce passenger load; some potentially by half – which alone would double the cost of tickets. CARB staff's suggestion to increase ticket prices will place a hardship on residents who rely on a ferry to travel to/from their homes to the mainland or to work (e.g., those who reside on Catalina Island) and reduce tourism dollars as ocean access becomes unaffordable. The COVID

pandemic has hit individuals and businesses hard. Increasing ticket prices will exacerbate those hardships, become a barrier for access to our ocean waters, and negatively impact communities whose economy is reliant on the maritime industry.

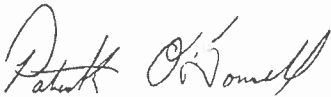
**Inconsistent application:** We understand CARB staff has opted to eliminate the economic and technical infeasibility burden for the largest segment of commercial harbor craft from the proposed regulation while similar vessels and similarly operated vessels are required to comply, creating an inconsistency between which operators will need to undertake millions of dollars in retrofit costs or build new vessels and retire existing vessels before the end of their service life, and which operators will not.

**Availability of grant programs:** Concerns have been expressed that the proposed regulations will diminish the availability and effectiveness of grant and incentive programs that have been extensively leveraged by vessel operators to fund emission reduction and decarbonization projects that have achieved real beneficial results. These programs must be maintained to assist the regulated harbor craft community in achieving significant and on-going air emission reductions and survive challenging economic times.

California's maritime economy is critical to the future of our state. We urge the Board to provide sufficient time to ensure a robust and interactive process that has unfortunately been difficult to achieve during the pandemic. We also urge the Board to work with the maritime industry on solutions that will achieve emissions reductions while preserving our coastal communities, international trade, and affordable access to our ocean waters for all Californians.

Thank you for your consideration.

Sincerely,



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Assemblymember Patrick O'Donnell (AD 70)



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Assemblymember Tasha Boerner Horvath (AD 76)



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Assemblymember Autumn Burke (AD 62)



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Assemblymember Jordan Cunningham (AD 35)



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Assemblymember Laurie Davies (AD 73)



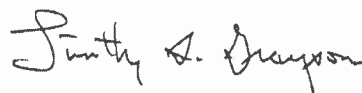
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Assemblymember Jim Frazier (AD 11)



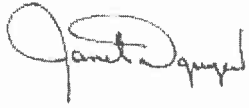
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Assemblymember James Gallagher (AD 3)



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Assemblymember Tim Grayson (AD 14)



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Assemblymember Janet Nguyen (AD 72)



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Assemblymember Blanca Rubio (AD 48)



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Assemblymember Christopher Ward (AD 78)



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Assemblymember Jim Wood (AD 4)



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Assemblymember James Ramos (AD 40)



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Assemblymember Carlos Villapudua (AD 13)



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Assemblymember Akilah Weber, M.D. (AD 79)