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> **Mailing Address:** P.O. Box 2531 90801

October 24, 2024

California Air Resources Board P.O. Box 2815 Sacramento, CA 95812

RE: Carl Moyer Program Draft Rules

Dear California Air Resources Board:

I am writing on behalf of Curtin Maritime, a marine solutions provider based in Long Beach, California that has operated vessels throughout California for nearly thirty years. We operate dozens of tugboats and barges supporting marine transportation, dredging and channel maintenance, and offshore construction operations with a team of nearly 400 employees. Our customers include a variety California ports, the Army Corps of Engineers, and SpaceX. Curtin prides itself on its commitment to environmental sustainability and seeks to build and operate the cleanest fleet of workboats in the world. Our commitment to environmental stewardship is in our company's DNA, and as the largest California headquartered tugboat and barge business, we believe that our leadership in this area will drive positive innovation and change across the entire workboat industry.

We write to raise concerns regarding the ZEAT terminology and definitions in Chapter 7 of the draft copy of the proposed rules for the Carl Moyer Program. The current definition of "Zero-Emission Capable Hybrid Vessel means "commercial harbor craft utilizing a hybrid power system with two or more onboard power sources, one or more of which is approved by CARB's Executive Officer to be capable of providing a minimum of 30 percent of vessel power required for main propulsion and auxiliary power operation with zero tailpipe emissions when averaged over a calendar year." Curtin Maritime objects to this definition and characterization of a "zero-emission capable hybrid vessel" as it creates a false equivalency between actual ZE vessels and vessels that are not. When California's goal is to reduce emissions to zero, it seems retrograde to simply write rules that declare an emitting vessel to be "zero emission."

This definition not only elevates a non-ZE vessel to equivalent ZE status, but also fails to acknowledge that CARB's has not demonstrated enforcement capacity to ensure that the vessel operator actually achieves that minimum threshold. This establishes yet another enforcement challenge when CARB is clearly struggling to enforce its rules and that non-CARB-compliant vessels operate with impunity throughout the state. Additionally, the designation of 30% as a minimum threshold is arbitrary and doesn't tie to any meaningful reduction in emissions or technical engineering



limitation. At best, this would be a 70% emission system and this rule serves to provide a vague work-around that achieves little tangible emission reduction benefit. Nor is it clear the exact point in the project timeline where the vessel operator must demonstrate that it has achieved that 30% threshold. The rule doesn't articulate any additional checks or monitoring processes that ensure the ongoing maintenance of this 30% threshold, or any consequences should the operator fail to achieve that 30% threshold. A fully ZE vessel would have no such monitoring challenges.

Zero emission technology exists for workboats now and this definition appears to be a special interest hedge to delay deployment of actual zero emission technology. This definition allows non-ZE vessels to be treated like ZE vessels and further provides disincentives to developing zero-emission technology by granting equivalent benefit to the operator of a non-ZE vessel. This definition essentially undermines the entire rule and seeks only to delay a total commitment to decarbonization. While it will likely be capital-intensive and technologically challenging to achieve this goal, these obstacles should not lead to the adoption of half-measures that delay the implementation of real existing solutions, failing to set California on a proper course toward air quality and climate change targets. In fact, Curtin Maritime believes it is likely that the proposed ZEAT terminology will result in a costlier, more protracted, and ultimately more turbulent transition to ZE maritime technologies.

In sum, Curtin Maritime believes that CARB's new draft rules, through the inclusion of the "Zero-Emission Capable Hybrid Vessel" definition, establish an exception that undermines the rule, tilts the playing field against innovation, and frustrates the development and operation of legitimately zero-emission harbor craft. We urge you to remove the definition and resolve that "zero emissions" means exactly that. Alternatively, the Board should direct staff to establish rules that elevate funding levels to prioritize actual zero emission equipment. This will spur the innovation that is desperately needed to alleviate the global climate crisis.

Sincerely,

Charles Costanzo

SVP - Government Affairs