



SAN FRANCISCO BAR PILOTS ASSOCIATION

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November 12, 2021

Liane M. Randolph
Chair, California Air Resources Board
1001 "I" Street/PO Box 2815
Sacramento, CA 95814

Via Email: Liane.Randolph@arb.ca.gov
Electronic submittal: <https://www.arb.ca.gov/lispub/comm/bclist.php>

Subject: Proposed Commercial Harbor Craft Regulations: Pilot Vessels

Dear Chairperson Randolph:

The San Francisco Bar Pilots (SFBP) are mandated by the California Harbors and Navigation Code to safely navigate approximately 8900 commercial ships annually to and from over 200 terminals in the greater San Francisco Bay Area to ports as far as Sacramento and Stockton. Our service to these vessels begins and concludes in the open ocean at an offshore "pilot station," 11 miles west of the Golden Gate Bridge. To provide this service, SFBP intermittently operates 5 pilot vessels: 3 offshore station vessels and 2 high speed harbor vessels. Two to 3 of these vessels are in service at any one time. Pilot vessels are specially designed to come alongside commercial ships, while underway, so that pilots can safely board and disembark in both ocean and harbor conditions. They are unique from other vessels in maritime service and the ports served.

Our Association vigorously supports emissions reduction and the adoption of green and efficient technologies. In fact, one of the core premises of California's state regulated pilotage system is environmental stewardship. We currently have a new pilot vessel under construction that will be the first Tier 4 engine pilot vessel in the United States. It's important to note that this project has been undertaken with the full support of our customers and the CA Board of Pilot Commissioners, absent of a regulatory requirement to do so. <https://pacmar.com/article/new-developments-in-high-speed-marine-propulsion>

There are only 10 pilot vessels that operate in California, their contribution to the emissions inventory is de minimus and they are unique in their construction and service applications. Strong positive incentives are already in place to transition replacement vessels to green technologies and we remain perplexed by the decision to regulate this small and specialized fleet; especially when the much larger commercial fishing fleet is exempt. It is our primary position that pilot vessels should be exempt from the proposed regulations or, if subject to the proposed regulation, existing vessels should be exempt for their remaining service life with new construction being subject to the proposed regulation.

SFBP have previously commented regarding our vessel specific concerns with the Proposed Commercial Harbor Craft Regulations. We have also been engaged in an ongoing conversation with CARB Staff to better understand the proposed regulations, compliance options and impacts on our business and the

State mandated pilotage infrastructure. We offer the following general comments for your consideration:

- The Proposed Regulations are unnecessarily complex, restrictive, and difficult for vessel owners to understand. Effective regulation should not require small business to bear the expense of hiring myriad consultants and attorneys to interpret, evaluate and monitor requirements and initial/ongoing compliance.
- Implementation timetables are unrealistic and create unreasonable near-term financial burden. Equipment sourcing, shipyard availability and increased costs of new technology should be taken into consideration. The supply chain crisis has only served to exacerbate this issue. The proposed regulations accelerate our new build program to a schedule that, as a practical matter, is unattainable; requiring the construction of 3 vessels by year-end 2024, 1 by year-end 2025 and 1 by year end 2028. Schedule and sourcing challenges aside, compliant equipment adds additional \$10.5M in construction costs (25% higher) resulting in a \$45M build program that creates significant financial hurdles given all these constraints.

Further to this issue, as a matter of policy, regulatory implementation schedules should be feasible as published vs a shadow system of granting extensions with the associated burden and uncertainty of multiple extension applications.

- Green harbor craft technology is nascent and much of it untested for pilot vessel application. Forced adoption of early technologies into a 20+ year asset creates safety and reliability concerns and precludes the use of technologies that may be developed in the near future.
- There are significant engineering challenges in retrofitting new technologies into existing vessels and from a financial perspective, the investment cost of new technologies does not warrant conversion of older vessels. Simply put, service appropriate Tier 4 engines and associated equipment are too large to be installed in existing engine spaces and the weight is not compatible with the hull construction parameters. Therefore, the default outcome is vessel replacement which comes at a significantly higher cost and construction/financial planning horizon.
- Grants and other funding sources are restrictive in their application and are a difficult “fit” to secure funding for construction of new pilot vessels. For example, “pilot vessels” were not included in the VW Mitigation Trust Grant program. SFBP would welcome access to financial support; however, the lack of inclusion in these type of programs supports our assertion that the State’s pilot vessels should not be subject to the proposed regulations.

Thank you for the opportunity to comment and your careful consideration of the logistical and financial impacts these proposed regulations have on the San Francisco Bar Pilots and the State’s pilotage system.

Sincerely,

A handwritten signature in cursive script that reads "John Carlier".

Capt. John Carlier
President

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