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November 15, 2021

Clerk's Office California Air Resources Board 1001 "I" Street Sacramento, CA 95814

Subject: Proposed Regulations for California Commercial Harbor Craft

Please accept this letter submitted with regard to the CARB CHC Regulations proposed September 21, 2021. Kirby is a member of the American Waterways Operators and we defer to their correspondence for greater detail of the issues the tug and barge industry is facing with this proposed rulemaking.

Kirby Offshore Marine operates towing vessels and barges in interstate commerce on the West Coast of the U.S., Hawaii, and Alaska. The California market is served by vessels which must also remain profitable in service outside of California. Kirby supports common-sense initiatives to improve the environment and protect the health of the public. But we believe that, based on the information presented in the AWO's comments, the emission impacts of towing vessels and barges, including ATB's, have been miscalculated and their effects on public health overstated in the CARB Statement of Reasons for the new rules.

Kirby has made significant investments in new vessels that are qualified to work in California markets under the existing CHC rules, and these investments will be negatively impacted by these proposed rules. Certain equipment that meets the current CHC regulations, will be disqualified from operation in California before the useful lifespans of the existing engines are realized. Decisions were made regarding capital investments, based on the current CHC regulation, and now these investments will likely not meet their expected service life due to the arbitrary nature of the proposed rules. The previous regulation very clearly stated that investments to upgrade pre-Tier 1 and Tier 1 engines on in-use vessels or deploy new equipment with Tier 2 and Tier 3 engines would be the only investment needed for the remaining life of these vessels. The fact that CARB has exempted the largest inventory of engines in the State from these regulations (commercial fishing vessels) and shifted the burden of improving overall CHC emissions onto the remaining vessels, is an arbitrary action which undermines the stated purpose of the regulations, and further harms the ability of the maritime industry to serve the people of California.

We ask the Air Resources Board to stay the implementation of these new rules until any future actions can be applied fairly and the economic impacts apportioned appropriately among all engine operators in the universe of vessels regulated under the CHC rules.

Sincerely,

Dan Nutt

Director, Regulatory Affairs

Dansfult