



June 3, 2022

Clerks' Office
California Air Resources Board
1001 I Street Sacramento, California 95814
<https://www.arb.ca.gov/lispub/comm/bclist.php>

SUBJECT: Comments Regarding the 15-Day Amended Commercial Harbor Craft (CHC) Regulation on Behalf of California's Commercial Passenger Fishing Vessel Owners and Operators

To Whom It May Concern:

This letter is presented by both the Sportfishing Association of California (SAC) and the Golden Gate Fisherman's Association (GGFA), whose combined efforts represent Commercial Passenger Fishing Vessels (CPFV's), both inspected and uninspected, throughout the State of California. While we are appreciative of CARB's willingness to work with us to revise the regulation to better accommodate CPFVs, as reflected in the 15-day rulemaking, we have some remaining concerns regarding some of the California Air Resources Board (CARB) analyses contained within the rulemaking materials. The intent of this letter is to provide specific comments on the 15-day rulemaking and some of the previous rulemaking documentation, including the technical and financial analyses. We incorporate by reference the previous comments submitted by SAC and GGFA in a letter, dated November 15, 2021. It will be critical that these comments are adequately addressed in the Mid-Term Technology Review (Mid-Term Review) mandated by the rule in 2027-2028.

Cost and Financial Impact Analysis

Depending on the results of the Mid-Term Review scheduled in the rule for 2027 and to be presented to the Board in 2028, CPFVs could still be required to replace their vessels to accommodate Tier 4 engines and diesel particulate filters (DPFs). Therefore, CARB's cost analysis remains critical to the final outcome of this rule and its impacts on CPFVs. In its November 15, 2021 letter, SAC/GGFA detailed various issues with CARB's financial analysis, including, but not limited to, vessel replacement costs, ticket prices, impacts to port communities, lack of funding, etc. In the Mid-Term review, we request that CARB update and revise its financial analysis to address the issues described in our November 15, 2021 letter.

Combination of Six-Pack with Inspected Vessels in the CPFV Category

The six-pack charters typically operate only a couple days a week in season and frequently, if not usually, take more limited loads (i.e., 2-3 passengers at a time), and only a small number operate what would be considered full-time. These vessels are colloquially, but not pejoratively, called "Weekend Warriors" in our industry. Because of these and other major differences, it does not make reasonable sense to combine the inspected vessels and the six-pack boats in the same category. We have provided a more detailed discussion of this point in our November 15, 2021 letter. For the Mid-Term Review and because of the substantial differences between these vessel types in terms of location, operation, finances, ownership, etc., SAC believes that CARB should include the following updates to its analysis:

- Separate emission numbers for inspected and six-pack vessels.
- Separate risk reduction numbers for inspected and six-pack vessels.
- Separate health benefits numbers for inspected and six-pack vessels.
- Complete separate air modeling, risk calculations, and health benefits analysis for inspected and six-pack vessels.
- Separate cost numbers for inspected and six-pack vessels.

Safety Concerns

In our November 15, 2021 letter, SAC/GGFA discussed various safety and stability concerns with the use of Tier 4 engines with DPFs on CPFVs. These safety concerns must be addressed in the Mid-Term Review, including substantial consultation with the U.S. Coast Guard (USCG).

Modeling, Risk Assessment, and Health Benefits Analysis

As detailed in our November 15, 2021 comment letter, SAC/GGFA have various concerns regarding CARB's emissions, risk, modeling, and health benefit analysis. In addition, SAC and its consultants have been trying to obtain detailed emission, air dispersion modeling, risk assessment, and health benefit data for CPFVs for months, dating back to as early as May 2021. It is only recently that we were provided a complete set of information upon which to base a detailed review of the health benefits analysis. There was not enough time to complete the kind of analysis that we believe is necessary to adequately evaluate the health benefits analysis for this 15-day rulemaking; therefore, it is critical that CARB do this as part of the Mid-Term Review in 2027-2028. Some of the key issues that we think should be addressed are listed below and were discussed in more detail in our November 15, 2021 letter.

- Re-evaluation of the use of toxicological and epidemiological data.

- Inclusion of separate risk and health benefit numbers for different CHC categories.
- Expansion of air modeling to all air basins.
- Develop and use alternative data in place of Automatic Information System (AIS) data since AIS is not widely used on CPFVs.
- Review and update the use of Geographical Information System (GIS) data in modeling.
- Adjustment of incidence per ton (IPT) numbers to account for the distance from shore where the emissions occur.
- Better use of vessel logbook data in the emissions analysis when determining if/when CPFVs are operating in regulated waters and distance from shore.
- Update of survey data on vessels and engines to supplement CARB's incomplete dataset.
- Re-assessment of the use of the population factor for scaling of emissions.
- Consideration of the wet exhaust aspects of the emissions from marine diesel engines. Various studies have shown significant reductions in PM emissions that occur with wet exhaust versus dry exhaust.

Opacity Testing

As written, marine engines on CPFVs cannot comply with the opacity test method. Damage to the engines could occur if they are tested as prescribed in the rule. Newer engines are programmed such that they won't even allow the operator to turn the engine in the manner detailed in the test method. SAC understands that the rule allows alternative test methods, and that CARB believes that this may provide a workaround for CPFVs. However, we believe that it is important that a review of Opacity Testing methodology be part of the Mid-Term Review.

Renewable Diesel

The fleet supports the use of renewable diesel as a drop-in replacement for diesel. However, CARB places the burden on vessel owners when vessel owners are constrained by what fuel is offered by marinas or fuel docks. Environmental laws typically strictly govern refueling methods. Dragging hoses from fuel trucks across docks is not practical and creates environmental risk from spills and in many cases is illegal. CARB should consult with the regional water boards, marina operators, and fuel providers to determine how to appropriately provide renewable diesel to Commercial Harbor Craft in an environmentally safe manner and remove the responsibility from vessel operators.

Recommendations for the Mid –Term Review

In order to improve the mid-term review process, CARB should develop methods to validate or modify the assumptions made in the development of the rule for CHC operational parameters, emissions, and the benefits and risks.

SAC provides the following summary of recommendations as to what analyses should be included in the Mid-Term Review.

Tier 4 Engines:

- Confirmation that there is wide availability on market for Tier 4 engines
- Certified for emission levels
- Certified for marine use
- Available in horsepower (HP) range for inspected CPFV fleet
- Weight and size don't impact safety or stability of vessel

DPFs:

- These should only be considered if Tier 4 engines meet above criteria
- Cannot be used on existing boats with Tier 3 engines
- Must be certified with the specific Tier 4 engines above
- Heat and fire concerns must be addressed
- Infrastructure for filter cleaning in harbors must be available
- Concerns for engines going down due to filter issues while on open water or in shipping channels or jetties must be addressed

Updated Emission and Modeling Analysis:

- Completed separately for inspected CPFVs
- Consideration for reduction in emissions due to wet exhaust
- Updated survey of vessels and engines
- Use log book data instead of AIS
- Refined air dispersion modeling for inspected vessels, reflective of reduced emissions (e.g., Tier 3's, wet exhaust) as well as the actual distances from shore where inspected vessels operate
- Do not use IPT method without adjustment for distance from shore for where emissions occur
- Re-calculate potential health benefits for inspected CPFVs based on the above updated analysis

Vessels Retrofits:

- Stability issues addressed
- Safety issues addressed
- USCG approval
- Loss of passenger capacity considered
- Space concerns for larger Tier 4 engines, DPF, and diesel fluid tanks considered

Vessel Replacement:

- The necessity for steel hulls
- Additional maintenance requirements on steel hulls
- Increased weight and impact on fuel efficiency
- Real costs from boatyards
- Review compatibility with electric or hybrid technology due to weight

Zero Emissions or Hybrid Vessels:

- State of technology (e.g., electric, hydrogen, and hybrid)
- Update on state policy and legislation with respect to zero emissions boats
- Comparison of hybrid vs. electric vs hydrogen in terms of best fit for CPFVs
- Evaluation of downtime for electric engines and what happens if this occurs in open ocean
- Charging technology at ports
- Reliable and adequate electrical supply during operational season
- Hydrogen fueling technology at ports
- Hydrogen availability
- Cost of infrastructure on private, as well as publicly owned, marinas, landings, etc.

Economic Feasibility:

- Update cost of compliance with real costs from boatyards and suppliers
- Updated analysis of increased ticket prices with review by third party CPA
- Updated financial impact analysis with details provided above.
- Impacts to local businesses and tourism, local government and retail and business sales
- Impacts to ocean access
- Impact to conservation funding from lost license sales
- Impacts to research and conservation by federal and state agencies and academia
- Comparison of updated costs of compliance with the updated health benefits specific to inspected CPFVs

Social Justice

- Impacts on cost to ocean access from various income levels
- Impacts to partner programs with non-profit organizations
- Impacts to college students using fleet for academic research for degrees

Funding

Funding for engines upgrades and vessel retrofits or replacement is critical to ensure that the CPFV industry can remain financially viable and maintain affordable ocean access for all Californians, including maintaining non-profit partnership opportunities. The inspected CPFV fleet has lost one-third of the vessels since 1998.

The staff recognized that the fleet averages one vessel. The CARB Board spoke favorably regarding the need to support these small businesses in continuing to invest in technology to

lower emissions. We are pleased that the Board and staff have approved a pathway to allow continued state support subject to approval of the funding by the legislature and Governor. This funding is critical to lowering emissions and maintaining the most affordable option for all Californians to access the open ocean for recreational activities.

CARB's Harborcraft regulations, will create an unprecedented demand for engine replacement programs from all vessel categories, and not just from CPFVs. Moreover, while the state provides funding to the programs, they are administered by local air quality district that historically favor other industries. A lack of funds and political will could have catastrophic economic impacts on California's passenger sportfishing industry and those that depend on them for jobs, including tourism. This would also reduce funding to state and local programs that are dependent on transient occupancy and sales taxes, fees, and license revenues.

Without the state funding, many vessel owners will be unable to raise adequate funds to meet the accelerated early action emission reductions (by December 31, 2024), resulting in vessels going out of business or significantly raising ticket prices. Either option reduces ocean access.

Closing

Thank you for the opportunity to provide comment on this 15-day rulemaking package. We appreciate CARB's willingness to consider the concerns of the CPFV industry and the rule changes you have proposed to accommodate our unique situation. We look forward to continuing to work with CARB on the Mid-Term Review and other aspects of rule implementation. We would extend an offer to host an in-person workshop for CARB to discuss the requirements for CPFV owners once the rule becomes final.

Please do not hesitate to contact us if we can be of service or answer questions.



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