



U.S. DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL OCEAN SERVICE
National Marine Sanctuary Program
West Coast Region
99 Pacific Street, Bldg 200, Suite K
Monterey, CA 93940

U.S. DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Southwest Region
501 West Ocean Boulevard, Suite 4200
Long Beach, CA 90802-4213

June 21, 2012

Mary D. Nichols, Chair
California Air Resources Board
1001 I Street, PO Box 2815
Sacramento, CA 95812

Re: Use of Cap-and-Trade Auction Funds to Incentivize Ships to Reduce Speed

Dear Chair Nichols and Board Members,

We understand that the State of California's Air Resources Board (CARB) will be developing an investment plan for the auction proceeds from the cap-and-trade program to meet the goals of Assembly Bill 32 to improve public health, develop a clean energy economy and provide additional environmental and public health benefits. The National Oceanic and Atmospheric Administration's (NOAA) Office of National Marine Sanctuaries, West Coast Region and National Marine Fisheries Service, Southwest Region support the use of these proceeds to create an incentive program that rewards large ocean-going ships for slowing down while transiting off California's coast. We believe this use of the funds could achieve multiple environmental benefits important to both of our agencies.

Research has shown that large ocean-going vessels traveling at slow speeds substantially reduce their greenhouse gas emissions and nitrogen oxide and sulfur dioxide pollution. Encouraging ships to travel at slower than normal speeds can also reduce the anthropogenic effects on marine mammals by reducing the risk of lethal strikes and noise pollution in the marine environment. Identifying and minimizing impacts to endangered blue, fin and humpback whales is a priority for NOAA. We believe that creating an incentive program to encourage vessels to travel at slow speeds could be a benefit to the people and the whales offshore of California.

To be successful, the development of an incentive based slow speed initiative will require collaboration with the shipping industry and other partners. We have been in discussion with the Santa Barbara Air Pollution Control District regarding the viability of this idea and look forward to working with them and CARB to develop the idea further. We have reached out to a number of partners, including the Marine Exchanges of California, the Pacific Merchant Shipping Association, and the Sanctuary Advisory Council of Channel Islands National Marine

Sanctuaryⁱ, and received general support for what we all believe is an idea worthy of further consideration (see attached letter of support).

Thank you for your consideration of using cap and trade auction proceeds to incentivize ocean-going vessels to reduce speed and greenhouse gas emissions, and to protect endangered whales. Please contact Sean Hastings, Channel Islands National Marine Sanctuary, sean.hastings@noaa.gov or (805) 884-1472 and/or Elizabeth Petras, National Marine Fisheries Services, Southwest Region, Elizabeth.petras@noaa.gov or (562)980-3238 if you have any questions.

Sincerely,



for Rodney McInnis
Regional Administrator
Southwest Regional Office
National Marine Fisheries Service



William Douros
Regional Director
West Coast Region
Office of National Marine Sanctuaries

cc:

Channel Islands Sanctuary Advisory Council
Louis D. Van Mullem Jr., Air Pollution Control Officer, Santa Barbara Air Pollution Control District

Enclosure:

Channel Islands Sanctuary Advisory Council Support Letter

ⁱ In 2009, a report endorsed by the Sanctuary Advisory Council of Channel Islands National Marine Sanctuary recommended that incentive-based approaches to slow ships down be explored, specifically, to reduce ship strike risks on endangered whales. See: "Reducing the Threat of Ship Strikes on Large Cetaceans in the Santa Barbara Channel Region and Channel Islands National Marine Sanctuary: Recommendations and Case Studies" available online at: <http://channelislands.noaa.gov/sac/pdf/sscs10-2-09.pdf>.

Sanctuary Advisory Council

CHANNEL ISLANDS NATIONAL MARINE SANCTUARY

Member/Alternate

Tourism

Andrea Mills / Capt. Mat Curto

Business

Capt. Richard McKenna / Michael Gould

Non-Consumptive Recreation

Debra Herring / Nicole Peters

Commercial Fishing

Bruce Steele / Stephanie Mutz

Recreational Fishing

Capt. David Bacon / Merit McCrea

Education

Maria Petueli / Amanda Hendrickson

Research

Dr. Robert Warner / Dr. Mark Steele

Conservation

Linda Krop / Greg Helms

Public At-Large 1

Phyllis Grifman / Victor Cox

Public At-Large 2

Eric Kett / <vacant>

Chumash Community

Luhui Isha Waiya / Vennise Miller Forte

National Marine Fisheries Service

Elizabeth Petras / Stephanie Koos

National Park Service

Russell Galipeau / David Ashe

U.S. Coast Guard

CDR Christina Davidson / LCDR Elisa Garrity

Bureau of Ocean Energy Management

Donna Schroeder / Dr. Ann Bull

U.S. Department of Defense

John Ugoratz / Walter Schobel

California Department of Fish and Game

Marija Vojkovich / Kristine Barsky

California Resources Agency

<vacant> / Amy Vierra

California Coastal Commission

Dr. Jonna Engel / Steve Hudson

County of Santa Barbara

Dianne Black / Susan Curtis

County of Ventura

Lyn Krieger / <vacant>

Channel Islands Nat'l Marine Sanctuary

Chris Mobley [non-voting]

Monterey Bay Nat'l Marine Sanctuary

Paul Michel / Karen Grimmer [non-voting]

Gulf of the Farallones Nat'l Marine Sanctuary

Maria Brown / Brian Johnson [non-voting]

Chair: Eric Kett

Vice Chair: Bruce Steele

Secretary: Phyllis Grifman

June 13, 2012

Mary D. Nichols, Chair
California Air Resources Board
1001 I Street, PO Box 2815
Sacramento, CA 95812

Re: Investment of Cap-and-Trade Auction Proceeds to Incentivize Large Ocean-Going Vessels to Reduce Speed

Dear Chair Nichols:

As chair of the Channel Islands National Marine Sanctuary Advisory Council, I am writing with regard to the development of an investment plan for the use of cap-and-trade auction proceeds to help reduce greenhouse gases that contribute to climate change. Specifically, the advisory council supports the use of auction proceeds to incentivize large ocean-going vessels to reduce speed.

The advisory council provides advice on management, use and protection of sanctuary waters. The council is comprised of 42 individuals representing the general public, tourism, business, recreational fishing, commercial fishing, non-consumptive recreation, education, research, conservation and Chumash community interests, as well as local, State and Federal government agencies.

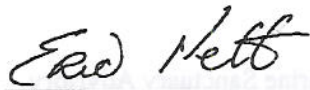
At our May 2012 meeting, sanctuary and Santa Barbara Air Pollution Control District staff informed us of the California Air Resources Board (CARB) process to develop the investment plan. Staff further suggested that by allocating some of the auction proceeds to incentivize large ocean-going vessels to reduce their speed off the California coastline, there would be substantial reductions in greenhouse gas emissions and other environmental benefits from slower moving ships.

In a 2009 sanctuary report endorsed by the advisory council¹ we recommended that incentive-based approaches to slow ships down be explored, specifically, to reduce ship strike risks on endangered whales. We are familiar with the successful Vessel Speed Reduction Incentive Program at the ports of Long Beach and Los Angeles that offers monetary-based incentives to slow ships approaching and departing these ports, yielding significant air quality benefits.

Slowing large ocean-going vessels offers a substantial reduction of greenhouse gas emissions as well as reducing nitrogen oxide and sulfur dioxide pollution. Slower ships also provide enhanced protection of marine mammals by reducing noise and ship strike impacts on endangered blue, fin and humpback whales. Therefore, the sanctuary advisory council supports allocating auction proceeds to incentivize large ocean-going vessels to reduce their speed off the California coastline.

A unique and compelling opportunity now arises to develop an incentive-based program focused on reducing ship speeds to address the state's goals under the cap-and-trade program, and help protect endangered whales off our coast. I hope the support of our sanctuary advisory council will be given due consideration as part of the California Air Resources Board's public consultation process.

Sincerely,



Eric Kett, Chair
Sanctuary Advisory Councilⁱⁱ

cc: William J. Douros, Acting Deputy Director, NOAA Office of National Marine Sanctuaries

Chris Mobley, Superintendent, Channel Islands National Marine Sanctuary

Brian Shafritz, Manager, Technology and Environmental Assessment Division, Santa Barbara County Air Pollution Control District

enclosure: Channel Islands National Marine Sanctuary Advisory Council voting results, May 18, 2012.

ⁱ "Reducing the Threat of Ship Strikes on Large Cetaceans in the Santa Barbara Channel Region and Channel Islands National Marine Sanctuary: Recommendations and Case Studies." Available online at: <http://channelislands.noaa.gov/sac/pdf/sscs10-2-09.pdf>.

ⁱⁱ *The council is an advisory body to the sanctuary superintendent. The opinions and findings of this letter do not necessarily reflect the position of the sanctuary and the National Oceanic and Atmospheric Administration.*

Voting Results: May 18, 2012 – Channel Islands National Marine Sanctuary Advisory Council

Voting results on a motion approving the Sanctuary Advisory Council's Executive Committee to prepare a letter to the California Air Resources Board (CARB) supporting CARB's consideration of allocating some of the cap-and-trade auction proceeds to an incentive program that would be designed to encourage reduced speeds from large ships; including a reference to a specific recommendation concerning exploring incentive programs within a ship strike report previously endorsed by the sanctuary advisory council; and supporting the council's views being mentioned at a May 24th CARB public meeting on the matter. May 18, 2012, Santa Barbara, California.

<i>Name</i>	<i>Council Seat - position</i>	<i>Vote</i>
Capt. Mat Curto	Tourism – alternate	Yes
Debra Herring	Non-Consumptive Recreation – member	Yes
Capt. Richard McKenna	Business – member	Yes
Linda Krop	Conservation – member	Yes
Bruce Steele [Vice Chair]	Commercial Fishing – member	Yes
Capt. David Bacon	Recreational Fishing – member	Yes
Maria Petueli	Education – member	Yes
Dr. Mark Steele	Research – alternate	Yes
Phyllis Grifman [Secretary]	Public At Large #1 – member	Yes
Eric Kett [Chair]	Public At Large #2 – member	Yes
Luhui Isha Waiya	Chumash Community – member	Yes
Elizabeth Petras	NOAA Fisheries – member	Yes
David Ashe	National Park Service – alternate	Yes
CDR Christina Davidson	US Coast Guard – member	Yes
Donna Schroeder	Bureau of Ocean Energy Management – member	ABSENT
Dr. Ann Bull	Bureau of Ocean Energy Management – alternate	
John Ugoretz	Dept. of Defense – member	No
Marija Vojkovich	California Department of Fish & Game – member	Yes
<vacant>	California Natural Resources Agency – member	ABSENT
Amy Vierra	California Natural Resources Agency – alternate	
Dr. Jonna Engel	California Coastal Commission – member	Yes
Susan Curtis	Santa Barbara County – alternate	Yes
Lyn Krieger	Ventura County – member	ABSENT
<vacant>	Ventura County – alternate	

Yes –17 No –1 Abstain –0

