

January 17, 2025

Seamus Murphy, Executive Director  
San Francisco Bay Area Water Emergency Transportation Authority  
Pier 9, Suite 111, The Embarcadero  
San Francisco, California 94111

Dear Mr. Murphy,

This letter is in response to the application submitted by San Francisco Bay Area Water Emergency Transportation Authority (WETA) to the California Air Resources Board (CARB) on March 20, 2024, requesting approval of a proposed Alternative Control of Emissions (ACE) plan under the Commercial Harbor Craft Regulation (CHC Regulation) as set forth in California Code of Regulations, title 17, section 93118.5. As provided in subsection (f)(1)(A) of the CHC Regulation, CARB's Executive Officer (E.O.) may approve an applicant's alternative emission control strategy (AECS) that achieves equivalent or greater emissions reductions than if the applicant were to directly comply with subsections (e)(10), (e)(12), and (e)(13) of the CHC Regulation, for the time period of January 1, 2023, through December 31, 2034.

### **Public Process and Proposed Action**

*WETA's ACE plan proposal* was posted on the CHC program website on November 20, 2024, beginning the first 30-day public comment period. The public was notified of the posting of WETA's ACE plan proposal and public comment period via *GovDelivery*, through which a notification was sent to all subscribers of the "Harbor Craft (Commercial Harbor Craft Regulatory Activities)" list. This comment period served to allow any interested parties to comment on any element of the ACE application and whether the E.O. should approve or disapprove the ACE application based on the contents and merits of the application. The first public comment period ended on December 20, 2024. One comment was submitted to the docket during the first comment period. The comment was not directed towards any of the criteria specified in subsection (f) of the CHC Regulation and is accordingly not relevant to the application.

As required by subsection (f)(2)(E), this letter serves as a notification of the CARB E.O.'s proposed action and identifies the start and end dates for the 15-day second public comment period. This letter will be posted on the *CHC program ACE plan webpage* to be viewable by all interested parties. Additionally, a GovDelivery notification will be sent to GovDelivery subscribers upon posting of this letter.

**Proposed Action: CARB staff has reviewed WETA’s ACE plan proposal and the public comments received, and the E.O. has preliminarily determined that the proposed ACE plan meets the criteria in California Code of Regulations, title 17, section 93118.5 (f)(1), and accordingly proposes to approve WETA’s ACE plan.**

The second 15-day public comment period will begin January 21, 2025 and end on February 5, 2025. During the comment period, interested parties may comment on the E.O.’s proposed approval of the ACE application and any element of the application on the second public comment docket that is posted on the [CHC program ACE webpage](#). Within 30 days after the second public comment period ends, the E.O. shall take final action to either approve or deny WETA’s ACE application. In addition, the E.O. shall consider and address any relevant comments received during the first and second public comment periods, and provide responses to each comment in the Final Action. These responses will also be posted on the [CHC program ACE webpage](#).

**Summary of ACE Plan Proposal**

WETA’s ACE Plan proposes to utilize two AECS, Zero-Emission and Advanced Technology (ZEAT) deployment in vessel categories where the technology for ZEAT is not required, and fleet averaging. WETA’s ACE Plan includes:

- 17 vessels within their existing fleet.
  - Converting four of the existing vessels to ZEAT vessels utilizing full battery electric propulsion.
  - Replacing 4 existing vessels with new build vessels (2 ZEAT vessels and 2 vessels with EPA Tier 4 engines with a diesel particulate filter (DPF)).
- 3 additional new build short-run ferry ZEAT vessels that will be added to the fleet.

Table 1 on the next page summarizes the emissions calculations for the nominal compliance baseline and ACE Plan proposal. Emissions calculated from an applicant’s direct compliance with subsections (e)(10), (e)(12), and (e)(13) for the time period of January 1, 2023, through December 31, 2034, are defined as the nominal compliance baseline. The calculations followed the methodology provided in [Appendix H](#) of the Initial Statement of Reasons for the CHC Regulation amendments. As shown in Table 1, WETA’s ACE plan proposal demonstrates equivalent or greater emissions reductions than WETA’s nominal compliance baseline.

Table 1 - WETA Alternative Control of Emissions (ACE) Plan Summary Table

<b>Scenario</b>	<b>NOx Emissions (lbs)</b>	<b>PM Emissions (lbs)</b>
Nominal Compliance Baseline	2,541,629	29,355
ACE Plan	2,114,467	29,329
Reduction	427,163	26
Percentage Reduction	16.81%	0.09%

The vessels included in the ACE plan can be found on pages eight and nine of the plan proposal. Detailed vessel information, engine information, and proposed vessel deployment dates can be found in WETA’s ACE plan proposal, which is posted on the [CHC program ACE webpage](#).

As required in subsection (f)(1)(B) and (f)(1)(C), all vessels included in WETA’s ACE plan are directly under their control and are not included in more than one ACE plan. Pursuant to subsection (f)(1)(F)5., WETA provided the homebase, proposed homebase, primary areas of operation in Regulated California Waters (RCW), and annual operating hours for all proposed ACE harbor craft vessels in order to demonstrate that the ACE plan will not result in a higher emissions burden to DACs relative to other communities impacted by the emissions from their vessel operations. In addition, WETA’s ACE plan proposal does not include emissions reductions attributed to equipment acquired by funds or grants that prohibit use of funds to comply with State regulations, laws, or mandates, nor include reductions that are otherwise required by any local, State, or federal rule, regulation, or statute.

**Proposed Conditions of Approval**

If the ACE plan proposal is approved in the E.O.’s Final Action following the second public comment period, WETA must meet the following conditions and requirements:

- Maintain operating records including all the reporting and recordkeeping requirements specified in subsection (m) and (o), on and after January 1, 2023; maintenance procedures; and emissions test results, as specified in subsection (f)(1)(H) of the CHC Regulation.
- Provide CARB with annual updates for the planned repower of current vessels to ZEAT and construction of new build vessels described in this ACE Plan. This annual update shall be submitted with the annual CHC vessel report that is due every March 31.

- Provide an update to CARB when an existing vessel has been replaced with a new build vessel, including the vessel names, date the existing vessel ended commercial operation, and the date the new vessel entered commercial operation. WETA must report any vessel replacements according to this ACE plan to CARB within 30 days of the new build vessel commencing commercial operation, pursuant to subsection (o)(2)(A) of the CHC regulation.
- **Notify the E.O. in writing within 30 days upon learning of any information that would alter the emissions estimates upon which this approval is based. If the E.O. has reason to believe that an approved ACE no longer meets the criteria for an ACE, the E.O. may, pursuant to subsection (f)(3) of the CHC Regulation, modify or revoke the ACE as necessary to assure that the applicant and subject vessel(s) meet the emission reduction requirements in this section.**

The E.O. also may revoke or modify, as needed, an approved ACE in accordance with subsection (f)(3).

For more information about the CHC Regulation, please visit: <https://ww2.arb.ca.gov/our-work/programs/commercial-harbor-craft>. If you have any questions, please contact the Commercial Harbor Craft team at [harborcraft@arb.ca.gov](mailto:harborcraft@arb.ca.gov).

Sincerely,



Bonnie Soriano, Chief, Freight Activity Branch, Transportation and Toxics Division

cc: Babak Pazokifard, Manager, Freight Technology Section

Emiliano Beas, Air Resources Engineer, Freight Technology Section