



## Commercial Harbor Craft 2022 Amendments

California Code of Regulations, Title 17, Section 93118.5

# CHC Factsheet: EPA Partial Authorization of Commercial Harbor Craft Regulation

*July 28, 2025*

## Background

In January 2025, the U.S. Environmental Protection Agency (EPA) issued a partial authorization of CARB's request to authorize the 2022 Amendments to the Commercial Harbor Craft (CHC) Regulation, California Code of Regulations, Title 17, Section 93118.5, under Clean Air Act section 209(e). (90 Fed. Reg. 1,998, Jan. 10, 2025, [Federal Register: California State Nonroad Engine Pollution Control Standards; Commercial Harbor Craft Regulations; Notice of Decision](#))

## Questions and Answers Regarding EPA's Partial Authorization

### 1. Does CARB have the authority to regulate commercial harbor craft?

Yes. CARB's authority to regulate and reduce air pollution from CHC is discussed on page I-1 of the [Staff Report](#) for the 2022 rulemaking.

### 2. Why is EPA required to authorize California's Regulation?

Section 209(e)(2) of the Clean Air Act sets forth the conditions under which EPA must authorize California "to adopt and enforce standards and other requirements relating to the control of emissions" from new and in-use nonroad engines that are not conclusively preempted by section 209(e)(1). CAA Section 209(e)(2) requires EPA to authorize California's standards if California determines that its standards are at least as protective of public health and welfare as applicable federal standards. EPA can only deny California's request if:

- EPA finds that the protectiveness determination of the state is arbitrary and capricious;
- California does not need separate state standards to meet compelling and extraordinary conditions; or
- The state standards and accompanying enforcement procedures are not consistent with section 209 of the CAA.

Non-performance-standard requirements such as reporting and fees do not require EPA authorization to be enforceable in California; however, California's authorization request covered the entirety of the regulation for context and completeness.

### 3. What parts of the CHC Regulation did EPA authorize?

EPA authorized all parts of the CHC Regulation, except for the two areas discussed below in Question 4. All other requirements in the Regulation are either covered under EPA's authorization or are non-performance standards that do not require EPA authorization, including:

- *Annual vessel reports* due every March 31 - required as of 2023;
- *Annual facility reports* due every July 1 - required as of 2023;
- Annual *vessel compliance fees* due every September 1 - required as of 2023;
- *Requirement for all diesel-powered vessels to use renewable diesel fuel* (R99 or R100) when operating in California - required as of January 1, 2023;
- *Zero Emission and Advanced Technology (ZEAT) requirements* for new and newly acquired short-run ferries and excursion vessels;
- Tier 3 + diesel particulate filter (DPF)<sup>1</sup> and Tier 4 + DPF performance standards for all other categories of new and newly acquired vessels - required as of January 1, 2023;
- *In-use performance standards by compliance deadlines:*
  - Tier 3 + DPF and Tier 4 + DPF performance standards for all in-use vessel categories except commercial fishing vessels and in-use short-run ferries;
  - Tier 2-3 engine requirements for commercial fishing vessels;
- Engine opacity limits and *biennial opacity testing* for engines 4 years old or older - required as of March 31, 2024;
- 15-minute engine idling limit for all main engines and auxiliary engines with a power rating of 99 kW or less while the vessel is docked - required as of January 1, 2024;
- *Shore power infrastructure* for facilities with 50 or more annual CHC vessel visits - required as of January 1, 2024;
- *Vessel labels* - required as of January 1, 2024;
- *Alternative Control of Emissions (ACE) Plans* and *ZEAT Credit* provisions; and
- *Compliance extension* and *low use exception* provisions.

### 4. What parts of the CHC Regulation did EPA's partial authorization not cover?

The two parts of the CHC Regulation not covered by EPA's partial authorization are:

- 1) Zero and Advanced Technology (ZEAT) requirements for in-use short run ferries; and

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<sup>1</sup> See Q&A #11 for more information on DPF requirements.

- 2) Emission “standards for in-use engines and vessels (excluding commercial fishing vessels) that would apply after the expiration of the feasibility extensions,” specifically feasibility extension E3.

**5. I read in the news that CARB withdrew the CHC Regulation. What does that mean?**

EPA issued waivers and authorizations for several CARB regulations in December 2024 and January 2025. CARB then withdrew its request for waivers/authorizations of some regulations or parts of regulations. Many media sources have reported on these events with varying levels of accuracy.

CARB did not withdraw the CHC Regulation. The CHC Regulation has been adopted and promulgated as State law. Rather, CARB withdrew parts of its request for EPA to authorize the Regulation under CAA section 209. CARB limited its request withdrawal to the components of the Regulation that EPA did not take action on under the partial authorization (discussed in Question 4, above). For the CHC Regulation, the result is that CARB will not enforce the two elements of the CHC Regulation EPA did not take action on. CARB is implementing all other elements of the CHC Regulation.

**6. How does EPA’s action change CARB’s implementation of the CHC Regulation?**

CARB has been implementing the amended CHC Regulation since January 1, 2023, and is continuing to implement the Regulation. The authorized provisions are in effect, including those for recordkeeping, reporting, fees, renewable diesel use, engine standards for new and in-use vessels (except as noted above in question 4), opacity testing, idling limits, shore power, vessel labeling, and compliance extensions (see question 4, above). CARB will focus on ensuring compliance moving forward, prioritizing opportunities for entities to correct compliance issues. Notices of Violation may be issued for lack of compliance with the parts of the Regulation that EPA authorized, which includes most of the requirements.

**7. EPA did not take action on the zero-emission requirements for in-use short-run ferries. Does this mean that in-use short run ferries now have no emission control requirements? Or will in-use short run ferries have to meet the same in-use requirements as other vessels?**

Subsection (e)(12) of the CHC Regulation specifies the compliance methods and deadlines for most categories of in-use vessels. This subsection excludes short run ferries. However, diesel engines on in-use short run ferries are still required to meet the requirements of subsection (e)(10)(B)1. by December 31, 2025. Subsection (e)(10)(B)1. requires engines on in-use short run ferries to meet Tier 3 or Tier 4 standards but does not require a DPF. CARB will not enforce the 20-hour annual non-emergency operating limit in subsection (e)(10)(B)2., which was intended for engines serving as backup engines on ZEAT vessels.

Operators planning to repower their in-use short run ferries with Tier 3 or Tier 4 engines may apply for E5 scheduling extensions if the engine has been ordered before the December 31, 2025 deadline.

### **8. Do I still have to apply for compliance extensions for my in-use short run ferries?**

CARB will not enforce ZEAT-related extensions for in-use short run ferries. Some in-use short run ferries have already received E5 scheduling extensions. For those vessels, CARB will consider the extension applicable to any diesel engines on the vessel.

CARB is aware that some short-run ferry operators are voluntarily moving forward with projects to replace in-use diesel short run ferries with zero emission vessels. The in-use vessels may continue operating until the replacement zero emission vessels are placed into service. However, an E5 scheduling extension is needed if the in-use vessel will operate a Tier 2 or older engine beyond December 31, 2025.

### **9. EPA did not take action on the emission control requirements for in-use vessels after the expiration of any E3 extensions.**

#### **a. Does this mean I don't have to apply for any extensions if I can't comply with the regulation because of technological feasibility?**

EPA's partial authorization maintains the compliance extensions in the Regulation. EPA's area of no decision is "after expiration of available (E)(3) extension renewals for any vessel that received an extension" under subsection (e)(12)(E)3. Therefore, vessel owners seeking a compliance extension due to lack of technological feasibility and lack of ability to pay for a vessel replacement must still apply for the E3 extension. CARB also maintains the authority to deny an application request if it does not meet the approval criteria. If CARB denies an E3 application, the vessel is still required to meet the performance standards by the compliance deadline.

#### **b. What happens after my E3 extensions expire?**

The maximum E3 extensions allowed under (e)(12)(E) is six to eight years depending on the vessel type. If the vessel owner receives the maximum E3 extensions, the vessel does not have to meet the performance standards after the last extension expires. The vessel owner must still continue to meet all other requirements of the Regulation. This includes annual reporting, opacity testing, fees, idling limits, shore power, vessel labeling, and use of renewable diesel fuel in California.

### **10. Are DPFs still required?**

Yes. EPA's partial authorization maintains the Tier 3 + DPF or Tier 4 + DPF performance standards for most vessels. The partial authorization also states that "California is authorized to enforce provisions related to CARB Verified Diesel Emissions Control

Strategy (VDECS) technology that is installed on any in-use vessel at any time.”<sup>2</sup> One pathway for vessel owners/operators to meet the performance standards is to install an engine that meets the standards in its EPA-certified configuration. There are currently multiple MAN Diesel and M&H Engines models available that include an OEM DPF.<sup>3</sup> Vessel owners/operators can also install a retrofit CARB-verified Level 3 DPF on a Tier 3 or Tier 4 engine to meet the performance standards once Level 3 DPFs become approved through CARB's verification process.<sup>4</sup>

In cases where neither an engine that meets the performance standards in its EPA-certified configuration nor a CARB-verified Level 3 DPF is available for a particular engine, the vessel owner must apply for an E2 extension for an in-use vessel or request approval under subsection (e)(9)(A)5 for a new-build vessel.

### **11. EPA did not take action on the emission control requirements for in-use vessels after the expiration of any E3 extensions. Does this also apply to the 10-year E3 extension for commercial passenger fishing vessels (CPFV)?**

Yes. The E3 extension includes both the two-year E3 feasibility extension available for most vessel types and the one-time, 10-year E3 extension that was specifically intended for engines on CPFV that met Tier 3 standards (without a DPF) by December 31, 2024. All ten-year CPFV E3 extensions expire on December 31, 2034. For CPFV with an approved 10-year E3 extension, emission requirements after December 31, 2034 fall under the area of non-action by EPA. CPFV that have received a 10-year extension will not be required to meet the Tier 3 + DPF or Tier 4 + DPF performance standards after December 31, 2034.

Engines on CPFV that did not receive a 10-year E3 extension must meet the performance standards, or apply for and receive a two-year E3 feasibility extension or other extension or low use exception, as applicable, by the compliance deadlines in Table 18.<sup>5</sup> Applications for the 10-year CPFV E3 extension were due by July 1, 2024, therefore CARB is no longer accepting applications. However, the two-year E3 extension pathway is still available for most vessel types including CPFV, subject to eligibility and CARB approval.

### **12. How does the partial authorization impact incentive programs?**

Please direct questions on specific vessel projects to funding program staff.

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<sup>2</sup> EPA Decision Document, p. 2, *California State Nonroad Engine Pollution Control Standards; Commercial Harbor Craft Regulations; Decision Document (EPA-420-R-25-002, January 2025)*

<sup>3</sup> See CARB's list of Certified Tier 4 Marine and Marinized Non-Road Engines, *Resources | California Air Resources Board*

<sup>4</sup> See CARB's Verification webpage, *Verification Procedure for In-Use Strategies to Control Emissions from Diesel Engines | California Air Resources Board*

<sup>5</sup> CHC Regulation, Table 18, p. 80, *Final Regulation Order*

Generally, staff does not expect EPA's partial authorization to impact most incentive projects. However, the partial authorization could impact some projects under programs that base funding awards on emission reductions surplus to those required by regulation, such as the Carl Moyer program. This would only be the case if the vessel project falls under an area of non-action by EPA, as described in Question 4. For example, the baseline from which surplus emission reductions are calculated may change for short run ferries. However, staff expects the calculated emission reductions would generally increase for the areas of non-action, which would improve the cost-effectiveness of the project.