SHIPPING EMISSIONS REMAIN A FOCUS OF REINTRODUCED HOUSE BILL

Date: 14 June 2021

Maritime Alert

By: Darrell L. Conner, Brody Garland, J. Timothy Hobbs, Mark Ruge, Ankur K. Tohan

In honor of World Oceans Day, House Natural Resources Committee Chair Raúl Grijalva (D-AZ) reintroduced legislation aimed at addressing the ocean impacts of climate change and reforming federal ocean management to better account for climate mitigation. The Ocean-Based Climate Solutions Act (OBCSA) is an updated release of Grijalva's bill from last Congress, which was amended further to address the concerns of the approximately 1,600 public comments received since the introduction of the previous bill. As we reported last October, the bill proposed several consequential reforms affecting the shipping industry. Among its many goals, the OBCSA seeks to reduce greenhouse gas emissions, increase carbon storage in blue carbon ecosystems, promote coastal resiliency and adaptation, support climate-ready fisheries, and restore U.S. leadership in international ocean governance.

From the perspective of the maritime industry, Grijalva's bill is an early look into how the federal government might pursue legislative solutions to improve global shipping emissions. Specifically, the bill includes provisions requiring vessel speed restrictions in marine mammal habitats, distributing grants to ports that establish programs to reduce vessel traffic affecting marine mammals, mandating vessel measurements of greenhouse gas emissions, and encouraging voluntary reductions in the speed of shipping vessels operating within the Exclusive Economic Zone (EEZ).

A full list of the changes made in the bill can be found <u>here</u>. The most significant changes to the updated draft include:

- removing the title that would have established a pathway forward for protecting 30 percent of oceans by 2030;
- strengthening prohibitions on activities in the Outer Continental Shelf (OCS);
- increasing offshore wind energy production goals on the OCS from 25 to 30 gigawatts by 2030;
- amending the vessel speed restriction program to be less prescriptive and allow for science-based decision-making;
- creating a grant program to support technology that reduces underwater noise from vessels; and
- proposing a Near Real-Time Large Whale Monitoring and Mitigation Program.

GHG Reporting Requirements

Notably, the rereleased bill retains the original monitoring, reporting, and verification requirements of greenhouse gas emissions for all vessels over 5,000 gross tons. This provision would require a vessel to measure and monitor on a per-voyage basis and report on an annual basis:

- total greenhouse gas emitted by the vessel inside the EEZ;
- average greenhouse gas emissions per transport work; and
- average greenhouse gas emissions per distance.

The findings would be included in an annual report on vessel emissions, accompanied by an explanation intended to facilitate public understanding of the shipping sector's greenhouse gas emissions and energy efficiency.

Vessel Restrictions in Marine Mammal Areas

The original bill proposed that the Administrator of the National Oceanic and Atmospheric Administration (NOAA) designate areas of importance to marine mammals where all vessels greater than 49 feet would be required to observe a speed of 10 knots or less. The new version removes the specific 10 knot speed restriction, and directs NOAA and the U.S. Coast Guard to develop a less prescriptive standard. The updated draft also removes requirements for large commercial vessels operating in navigable U.S. waters to be equipped with and operate an automatic identification system.

Port Mitigation Grants

With respect to port activity, the bill directs NOAA to establish a grant program for up to 10 ports to develop and implement mitigation measures that would lead to a quantifiable reduction in threats to marine mammals from shipping activities and port operations. Eligible uses for the program would include reducing underwater noise related to marine traffic; reducing ship strike mortality and other physical disturbances; enhancing marine mammal habitat; and monitoring underwater vessel interactions with marine mammals. The new draft would authorize the program at \$5,000,000 for each fiscal year 2022 through 2026.

Underwater Noise Mitigation Grants

The 2021 OBCSA reintroduces the Quiet Seas and Clear Skies Program, an effort to reduce air pollution, underwater vessel noise, and the risk of fatal marine mammal ship strikes. The program would encourage a voluntary reduction in the speed of eligible vessels operating within the EEZ and distribute annual Quiet Seas and Clear Skies Excellence Awards for verified participation by eligible shipping companies. Maximum speeds would be determined in consultation with NOAA, the Coast Guard, and industry experts in shipping, air quality, and marine mammal conservation.

Technology Grants

The bill would also establish a new grant program, jointly administered by NOAA and the Maritime Administration (MARAD), to provide assistance for the development and implementation of new or improved technologies that reduce threats to and enhance the habitats of marine mammals and other marine species by quantifiably reducing underwater noise from marine vessels. Additionally, the bill would require the Departments of Defense and Homeland Security, in consultation with MARAD, to submit a report to relevant congressional committees

identifying existing non-classified naval technologies that reduce underwater noise, and evaluating the feasibility of incorporating such technologies in the design, procurement, and construction of non-combatant vessels.

LOOKING FORWARD

Reintroduction of this ambitious climate effort is further evidence that mitigating the impacts of the shipping industry on global emissions will be a key plank in the legislative agenda of the 117th Congress and the Biden Administration. As discussions continue on the global stage, more action can be anticipated in 2021, including potential executive action from the White House, oversight hearings from the congressional committees of jurisdiction, as well as increased U.S. participation in the initiatives of international governing bodies.

KEY CONTACTS



DARRELL L. CONNER
GOVERNMENT AFFAIRS COUNSELOR

WASHINGTON DC +1.202.661.6220 DARRELL.CONNER@KLGATES.COM



J. TIMOTHY HOBBS
PARTNER

NASHVILLE, SEATTLE +1.615.514.1811 TIM.HOBBS@KLGATES.COM



ANKUR K. TOHAN PARTNER

SEATTLE +1.206.370.7658 ANKUR.TOHAN@KLGATES.COM



BRODY GARLAND
GOVERNMENT AFFAIRS ANALYST

WASHINGTON DC +1.202.778.9189 BRODY.GARLAND@KLGATES.COM



MARK RUGE PARTNER

WASHINGTON DC +1.202.661.6231 MARK.RUGE@KLGATES.COM

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