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MARK YOUR CALENDARS

The AWO Fall Convention is being held in Houston, TX. Meetings will begin on the morning of Thursday, October 4 and conclude at noon on Friday, October 5. New Directors should plan to attend the Board orientation session to be held the day before the Convention, on Wednesday, October 3 at noon. Registration information will be emailed to all members in the near future.



Congress Adjourns for August Recess

WRDA Bill Pending in Senate, President Threatens Veto

On August 3, the Senate, followed by the House of Representatives on August 4, adjourned to begin their August recess period. Both the House and Senate will reconvene on September 4.

Prior to adjourning, conferees on the Water Resources Development Act (WRDA) reached agreement on a final version of the legislation that includes authorization for the Upper Mississippi River/Illinois Waterway project, as well as compromise language on so-called "Corps reform" provisions, including a new independent peer review process for Corps projects that are projected to cost more than \$45 million. The House subsequently passed the conference report by a vote of 380-41. (See August 6 *AWO Letter*.)

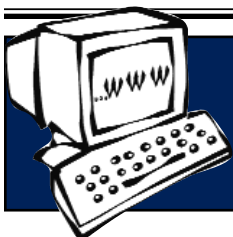
Due to objections to the compromise "Corps reform" provisions by Senator Russ Feingold (D-WI), the Senate was unable to bring up the WRDA conference report before leaving for the August break. The conference report is expected to be taken up by the Senate once Congress reconvenes after Labor Day, and a strong vote in favor of the WRDA legislation is expected.

In a letter to congressional leaders, Assistant Secretary of the Army for Civil Works John Paul Woodley and Office of

Management and Budget Director Rob Portman indicated that the President would veto the WRDA legislation when it reaches his desk. Despite the veto threat, both the Democratic chairmen and the Republican ranking members of the House and Senate committees with jurisdiction over WRDA are supporting the bill. A "veto proof" vote is expected in both the House and the Senate, and if

the President does veto the bill, his veto would likely be overridden. If there is a veto vote in Congress, AWO members should be prepared to contact their Senators and Congressmen to urge them to vote for this important piece of legislation.

Another measure that is expected to be taken up when Congress reconvenes is the Coast Guard authorization bill. House Transportation and Infrastructure Committee Chairman James L. Oberstar (D-MN) has indicated that he will bring that legislation to the full House of Representatives for consideration this fall. The bill was reported out of Chairman Oberstar's committee on June 28. (See July 6 *AWO Letter*.) Chairman Oberstar and Congressman Richard Baker (R-LA) are working to include interim work authority for the Transportation Worker Identification Credential (TWIC) program in the bill.



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COAST GUARD-AWO SAFETY PARTNERSHIP WELCOMES NEW CO-CHAIR

RDML Brian Salerno participated in his first Coast Guard-AWO Safety Partnership meeting as National Quality Steering Committee (QSC) co-chair on August 1. In his opening remarks, RDML Salerno described the Coast Guard-AWO Safety Partnership as “a powerful model of how government and industry can work together.” AWO President & CEO Tom Allegretti, industry co-chair of the QSC, added that there is mutual recognition of how well the industry and the Coast Guard work together. Mr. Allegretti took the opportunity to review the history of the Partnership, highlighting the number of accomplishments already completed. The meeting agenda included a review of a number of priority issues, including towing vessel inspection, an update on the work of the Quality Action Team (QAT) on the safe management of crew travel time, the resurgence of the Crew Endurance Management System (CEMS) Working Group, a review of regional QSC activities, and a look at the new proposal to transfer the marine safety functions of the Coast Guard to a new federal agency.

In addition to RDML Salerno and Mr. Allegretti, other members of the Coast Guard in attendance included Mr. Jeff Lantz, Director of Standards; CAPT Patrick Little, Chief, Office of Design and Engineering Standards; CAPT Frank Sturm, Chief, Investigations and Analysis; CAPT Mike Karr, Chief, Office of Vessel Activities; CDR John Cushing, Chief, Deep Water Port Standards Division; LCDR Charles Barbee, Chief, Compliance Analysis Division, Office of Investigations and Analysis; LCDR Ben Hawkins, Chief, Human Element and Ship Design; Mr. Jim Law, Office of Investigations and Analysis; Mr. Bill Abernathy, Office of Human Element and Ship Design; Mr. Dave Dolloff, Office of Operating and Environmental Standards; and, Mr. Scott Kuhaneck, Office of Vessel Activities.

AWO members in attendance included Royce Wilken, American River Transportation Co.; Merritt Lane, Canal Barge Company; Dale Sause, Sause Bros.; and, Craig Philip, Ingram Barge Company.

Safety Statistics

Doug Scheffler, AWO Manager - Research & Data Analysis, presented the latest towing industry safety statistics on crew

fatalities, oil spills and vessel casualties. Mr. Scheffler observed that overall, there has been a level shift beginning in the year 2000 for both crew fatalities and oil spills where there has been a drastic reduction in both categories. Crew fatalities decreased from 17 in 2005 to 14 in 2006 and oil spills have reduced from 3.1 gallons spilled per one million transported in 2004 to 0.9 gallons spilled per one million gallons transported in 2005. Mr. Scheffler also noted that medium and high severity vessel casualties have also remained very constant. The volatility is in the low severity class.



Salerno

RDML Salerno asserted that as good stewards of the industry, the group must continue to look for opportunities for improvement, even if incremental, until after the completion and implementation of the inspection regulations makes more dramatic safety improvements possible. The QSC agreed that the Partnership’s goal must be zero casualties and that the QSC has a responsibility to lead the drive for continued improvements in industry safety prior to implementation of the towing vessel inspection regulations.

With this in mind, the QSC asked Mr. Scheffler and Mr. Dave Dickey, Coast Guard Program Analyst, to take the lead in establishing a work plan to continue researching the development of leading indicators that are based on the causal analysis of accidents in the towing industry. The QSC also agreed that staff should meet with the National Transportation Safety Board to discuss our respective methods for counting industry casualties.

Towing Vessel Inspection

Mr. Dolloff and Mr. Kuhaneck updated the QSC on the status of the rulemaking regime for towing vessel inspection. Mr. Dolloff indicated that the Towing Safety Advisory Committee (TSAC) Working Group on Towing Vessel Inspection raised some questions during the review of the draft regulatory text that have required the Coast Guard to carefully review internal policies. RDML Salerno indicated that the completion of this rulemaking is one of the Coast Guard’s top priorities.

(continued on page 3)

COAST GUARD - AWO SAFETY PARTNERSHIP WELCOMES NEW CO-CHAIR

(continued from page 2)

Crew Endurance Management

LCDR Ben Hawkins and Jennifer Carpenter, AWO Senior Vice President - Government Affairs and Policy Analysis, framed the challenge of continuing to increase participation in the Crew Endurance Management System. The QSC agreed that a Coast Guard-AWO working group should be established to refresh the collective vision of the future of the Crew Endurance Management System (CEMS) and its linkage to such issues as travel time, watchstanding and work hours; develop a marketing plan to promote that vision; support industry implementation of CEMS consistent with the vision; and, develop metrics for measuring the effectiveness of CEMS.

Regional QSCs

Chris Coakley, AWO Vice President - Atlantic Region, and Lynn Muench, AWO Senior Vice President - Regional Affairs, gave brief overviews of the work of the regional QSCs. Ms. Muench described a current industry concern that the Coast Guard Eighth District is maintaining an individual database, separate from the

MISLE system housed at Coast Guard headquarters. The Coast Guard Office of Investigation and Analysis will follow up on the report of the Eighth District casualty database to understand why the Eighth District database has been established, consider the need for adjustments to MISLE to address the Eighth District's needs, and convey the expectation of Coast Guard Headquarters that MISLE is the database to be used Coast Guard-wide.

Marine Safety Proposal

RDML Salerno acknowledged that the Coast Guard has heard the industry's concerns about the need for a clear commitment to the marine safety program in light of Coast Guard multi-mission functions. RDML Salerno believes that separating the Coast Guard's marine safety and security functions could be even more difficult for industry. RDML Salerno believes that separating the functions would mean duplicative efforts on behalf of two federal agencies. The Coast Guard has acknowledged that the system needs help but believes that the correct answer is to fix the problem and not to remove the function from the Coast Guard. RDML Salerno believes that the Coast Guard needs to relook at its personnel policies and establish a career path that supports the development of marine safety expertise.

The next QSC meeting will be held in February 2008. If you have any questions about the QSC, please contact Jennifer Carpenter or Angela Madden at (703) 841-9300, extensions 260 and 262, respectively, or via email at jcarpenter@vesselalliance.com or amadden@vesselalliance.com.

Important Dates and Reminders

..... at a glance

All contact persons can be reached by calling AWO's Arlington, VA office at (703) 841-9300 unless otherwise noted.

August 29-30: Pacific Region Summer Meeting, Seattle, WA. For more information, contact Jason Lewis at (206) 262-7308.

October 3-5: Fall Convention and Board Meeting. For more information, contact Mary McCarthy.

Welcome,
New Carrier Member!

DMC Towing, L.L.C.
5177 Darda Street
Lafitte, LA 70067

Rep: Ms. Michelle Cox,
Manager



“Bridge Collapse Should Have Little Impact on Shipping”

The following article, written by Jim Suhr of the *Associated Press*, was published on August 3.

ST. LOUIS (AP) -- The collapse of a Mississippi River bridge in Minneapolis should have no sizable impact on barge shipments of grain and freight on the nation's second-longest river because much of those cargos are loaded downstream, experts said Thursday.

The stretch of the river closed since Wednesday evening's rush-hour collapse of the eight-lane Interstate 35W is largely used by recreational boaters and seldom by shippers, who rely more on bigger locks south on the river, the Army Corps of Engineers' Bill Gretten said.

“In the big picture, I don't think the impact on navigation is going to be real significant,” said Gretten, the overseer of the river's operations for

the corps' Rock Island, Ill., district. “Most commercial navigation operates below the site of the incident.”

The 40-year-old, steel-arched bridge, a major Minneapolis artery, was in the midst of repairs when it buckled about 6 p.m. Wednesday, sending dozens of cars plummeting more than six stories into the Mississippi.

As search-and-recovery efforts at the disaster site pressed on Thursday, the river's managers and others doing business on it were quick to dispel worries that the collapse would squeeze commerce on the waterway that handles 483 million tons of barge traffic a year.

River shipping is considered efficient, with a typical inland barge's capacity 15 times greater than a rail car and 60 times more than a semitrailer, according to the American Waterways Operators, a trade group of barge, tug and tow industry interests.

River shipping long has been the cheapest means of moving commodities south to the Gulf of Mexico and eventually to overseas consumers, meaning any large blockages could crimp barge operators.

But the river lock near the collapsed Minneapolis bridge played only a tiny role in river shipping, typically handling more recreational vessels than freight-laden barges. The lock – just 56 feet wide and 400 feet long – is among the smallest on the river, Gretten said.

That stretch handles roughly a million tons of product a year, a sliver of the 30 million tons that passes through the Quad Cities area of Illinois and Iowa or the nearly 70 million tons through St. Louis, Gretten said.

Wednesday's disaster “is not going to have an effect” on grain shipments, said Ryan Kelbrants, a grain analyst at Benson-Quinn Commodities Inc. in Minneapolis.

“If it were to have affected any type of logistical movement, the market would have reacted. It hasn't,” Kelbrants added, noting that Minneapolis' commodities trading was in step Thursday with its counterparts in Chicago and Kansas City, Mo.

Still, the bridge collapse promises logistical headaches, at least short-term, for American Iron and the handful of companies with terminals upriver from the disaster.

American Iron, which bills itself as “the Upper Midwest's Leading Metals Recycler,” may have to ship its scrap by truck from its terminal a couple miles upriver from the disaster to a sister terminal in nearby St. Paul, Minn., then send it out on barges until the blocked channel is cleared, a company official said.

Andy Staebell, chief executive of Northern Metal Recycling, American Iron's corporate parent, also said the trucks will add to the company's costs and be forced to maneuver through expectedly higher traffic volumes on peripheral roads around Minneapolis until the collapsed span is rebuilt.

“The impact of truck congestion is going to be brutal,” he said. ☘

“River shipping is considered efficient, with a typical inland barge's capacity 15 times greater than a rail car and 60 times more than a semitrailer.”

- The American Waterways Operators

Welcome Back,
Carrier Member!

Vinik Marine, Inc.
85 First Street
Keyport, NJ 07735

Rep: Mr. Gregory Sharpe
Agent



Choosing Your AWO-Certified RCP Auditor

During the last half of 2007, 42 AWO member companies are still due to complete an initial or recertification audit of their Responsible Carrier Program™ (RCP). If you are one of these companies, the first and most important step is to choose your AWO-certified auditor. A list of certified auditors can be found on the AWO Web site at

www.americanwaterways.com under

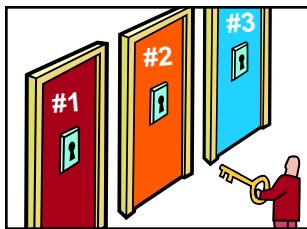
“Commitment to Safety.” AWO

members are reminded that only auditors included on this list are certified to perform RCP audits. Auditors certified to conduct joint RCP/ISM are

also listed, and it is only these ABS auditors who are certified to conduct RCP audits as part of an ISM audit. They are not authorized to conduct stand alone RCP audits.

As further verification, all AWO-certified auditors are issued a replica of their certificate in a wallet-sized, laminated format. This portable certificate allows AWO member companies and their auditors a means of easy verification of the credentials of the auditor and the validity of his or her AWO certification. This identification also affords auditors additional credibility with crewmembers when the auditors are performing vessel audits.

Avoid the problems and expense of contracting with an auditor who is not AWO-certified by always checking the AWO Web site to verify the auditor’s certification, and again when he/she arrives on site to begin the audit. If any questions arise concerning the certification of your auditor, you



should contact Bob Clinton or Kathy Rehak immediately at (703) 841-9300, extensions 253 and 263, respectively.

In addition to verifying the auditor’s certification, members should also consider whether or not their last audit met expectations, and if that is the same arrangement for which they want

to contract again. You and your auditor can determine if your company’s audit should encompass suggested areas for improvement. If your auditor did not provide you with the depth of audit you expected, make clear

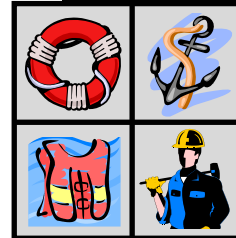
your expectations and ask him or her to upgrade his or her performance or seek another auditor.

When choosing an auditor, you may also want to consider whether a different auditor – a “new set of eyes” – might best suit your company’s needs. Some AWO members prefer to work with the same auditor who is already familiar with the company’s operations. Others have found that a different auditor can provide another opinion of your operations.

In addition to checking auditor certification, to ensure that the required third-party audit goes as smoothly as possible, AWO member companies should take a number of other steps to prepare for their audit.

1. Gather Necessary Records:

Required records will include, but are not limited to, personnel training records, vessel maintenance and inspection records, safety and/or RCP



“Safety Pages”

manuals, vessel logs, maintenance and vessel inspection records, records of safety meetings and drills and any other records that are part of your safety management program.

2. **Coordinate the Logistics:** Discuss with the auditor the time, date and place that the audit will take place. Also, communicate your expectations for the audit.
3. **Communicate with the Auditor:** Be sure to advise the auditor of all company safety requirements, including required personal protective equipment, terminal/office safety rules and any drug testing requirements for vendors. Be sure to include any insurance requirements such as liability coverage, professional liability and auto.

Taking these essential steps in advance of your third-party audit will help ensure a quick, efficient and cost effective AWO-certified third-party audit. If you have any questions about third-party audit or anything else relating to the RCP, please contact Bob Clinton or Kathy Rehak at (703) 841-9300, extensions 253 or 263, respectively, or via email at bclinton@vesselalliance.com or krehak@vesselalliance.com.

Test Your RCP Knowledge:

1. The recommended first step in preparing for an RCP audit is:

- A. Check the auditor’s certification on the AWO Web site
- B. Check the auditor’s availability
- C. Check the price
- D. Check with other AWO members for their recommendations

2. When conducting an RCP recertification audit, policies and procedures must be supported by:

- A. Documentation
- B. Interviews
- C. Promises
- D. A & B

3. RCP recertification audits are designed to determine all of the following, except:

- A. The program is in use day-to-day
- B. Companies have a standard set of policies and procedures
- C. Proper documentation is being maintained
- D. The company follows its own policies and procedures

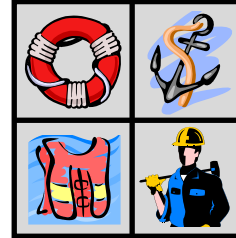
4. Objective Two of the RCP audit is to verify adequacy of the program. Which of these methods can be used to verify the adequacy of a company’s RCP?

- A. Documentary evidence
- B. Physical examination
- C. Subjective evidence
- D. A & B
- E. A, B & C

5. How can the auditor verify implementation throughout the organization?

- A. Verbal interviews
- B. Observation
- C. Subjective evidence
- D. A & B
- E. A, B & C

Answers: 1(A); 2(A); 3(B); 4 (D); 5 (D)



“Safety Pages”

CEMS Training Opportunities

The Crew Endurance Management System (CEMS) is a system for managing risk factors in maritime work environments that can lead to human error and performance slumps. The Coast Guard and AWO have been working together to help companies implement the principles of CEMS. In this space, AWO will publish details of CEMS training opportunities around the country. For further information on CEMS training opportunities, please contact LCDR Vivianne Louie, U.S. Coast Guard, at (202) 372-1358.

DATE	September 6-7
LOCATION	Kirby Corporation Baton Rouge, LA
CONTACT	Ms. Kelly Parker (Contact) kelly.parker@kirbycorp.com (713)-435-1775

If you receive a hard copy of the *AWO Letter* and need to know the exact Web addresses of the hyperlinks in any articles, please contact Mary McCarthy at (703) 841-9300, extension 254, or via email at mmccarthy@vesselalliance.com.



Atlantic Region

Atlantic Region Members Welcome Rep. Elijah Cummings to Summer Meeting

On August 7, 33 AWO members attended the Atlantic Region Summer Meeting in Baltimore, MD, with guest speakers Rep. Elijah Cummings (D-MD) and U.S. Coast Guard Sector Baltimore Commander CAPT Brian Kelley. Members in attendance were joined by a number of Coast Guard personnel and congressional staff. The summer meeting provided attendees with updates on regional issues by Atlantic Region Chairman Chris Roehrig, Roehrig Maritime, LLC, and AWO Atlantic Region Vice President Chris Coakley. AWO President Tom Allegretti gave a presentation on the 10 national issues of critical importance to the membership and Atlantic Region Vice Chairman Jeff Parker, Allied Transportation, hosted strategic dialogue sessions to gather member input on the emerging issues of policy changes on travel time and the proposal to remove maritime safety from the Coast Guard's portfolio.

The keynote speaker, Rep. Cummings, is the Chairman of the Coast Guard and Maritime Transportation Subcommittee of the House Transportation and Infrastructure Committee. His presentation detailed the maritime issues that have recently been in front of his committee: improving the Coast Guard's safety program, reviewing the Coast Guard's administrative law system and correcting administrative issues related to the implementation of the Transportation Worker Identification Credential (TWIC). Rep. Cummings' remarks highlighted his sincere interest in promoting and protecting maritime commerce while also providing the Coast Guard with the resources to improve its efficiency and effectiveness.

The Coast Guard guest speaker, CAPT Kelley, focused on the national and regional challenges faced by the multi-mission Coast Guard in balancing safety, security and the facilitation of commerce. CAPT Kelley noted steady improvements to the licensing process since the transition of Regional Exam Center (REC) paperwork to the National Maritime Center, and also said that Atlantic Region Coast Guard Captains of the Ports (COTPs) would be closely watching and learning from the proposed autumn rollout of the TWIC in the Port of Wilmington, DE, in Coast Guard Sector Delaware Bay.

AWO members and staff provided updates on a number of other important issues. Mr. Roehrig reviewed a number of issues in his remarks including towing vessel inspection; AWO efforts to improve TWIC; usage of the AWO Tool Kit

to ameliorate the towing vessel personnel shortage; and, emerging challenges concerning marine engine emissions. On regional issues, Mr. Coakley discussed developments in the lobbying efforts for legislative exemption and past tax audits related to the New York petroleum business tax; developments in the Massachusetts Oil Spill Act litigation; the Buzzards Bay RNA rulemaking; Cape Cod Canal depth restrictions; the continued growth of no discharge areas; and, necessary improvements to regional member participation levels in the PAC and grassroots programs. On national issues, Mr. Allegretti gave a comprehensive review of the top 10 critical issues that must be addressed by AWO's advocacy staff to stem the tide of potentially devastating regulatory, legislative or economic changes in the industry.

For more information on any of the topics discussed at the regional meeting or a list of the top 10 critical issues facing the industry, please contact Chris Coakley at (703) 841-9300, extension 297, or via email at ccoakley@vesselalliance.com.



Pacific Region Summer Meeting Approaching Fast

Don't forget to register for the Pacific Region Summer Meeting, which will be held on August 30 from 8:00 a.m. to noon in Seattle, WA at the Edgewater Hotel. Discussion will center around critical issues of the regional and national tugboat, towboat and barge industry, such as vessel personnel shortage, the California Air Resources Board and travel time. To register, click [here](#).



For more information, please contact Jason Lewis at (206) 262-7308, or via email at jlewis@vesselalliance.com.