

VOLUME 65, No. 4 • FEBRUARY 22, 2008

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## Coast Guard Must Adapt and Grow to Meet New Challenges, Commandant Says

The Coast Guard must reorganize its structure, improve its processes, and, ultimately, grow its workforce in order to meet the new challenges of the 21st century, Commandant ADM Thad W. Allen asserted in his annual State of the Coast Guard address February 14.

ADM Allen described an operating environment rife with internal and external challenges, including the need to improve capabilities and customer service in the marine safety program, restore balance between the Coast Guard’s safety and security missions, streamline the regulatory process and provide the necessary resources to move regulations to publication efficiently, and comprehensively modernize both “hardware and humanware” throughout the service. The Coast Guard is committed to “putting people and money on the table” to improve its marine safety performance, to strengthening industry partnerships and to honoring the mariner, the Commandant said.

ADM Allen described his vision as a “change-centric” Coast Guard that regularly assesses its operating environment to understand its implications for mission performance, has an adequate, predictable capital investment plan, and builds its workforce

to execute its mission. While the Coast Guard has long prided itself on its ability to “do more with less,” the Commandant said that there is a limit to what can be accomplished with existing resources and urged that the size of the Coast Guard be reconsidered. He said that the agency is “anxious” to see passage of this year’s Coast Guard and Maritime Transportation bill (which has not yet been brought to the floor in either the House or the Senate) in order to obtain authorization to proceed with a planned reorganization of the agency structure.

Separately, the Coast Guard also released an independent assessment of the agency’s marine safety performance conducted last fall by retired VADM James C. Card. Admiral Card’s report identifies six areas of stakeholder concern with the Coast Guard marine safety program – strategy, leadership, people, policy, customer focus, and organization – and offers suggestions for improvement to the address these concerns. The report is based on not-for-attribution interviews with more than 75 members of the Coast Guard and 95 industry representatives, including AWO staff and member leaders.

For a copy of the Commandant’s address, click [here](#). For a copy of the Card report, click [here](#).



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## Coast Guard Proposes Updating Liability Limits

On February 5, the Coast Guard published a notice of proposed rulemaking (NPRM) proposing to amend the regulatory requirements for vessel owners and operators to provide evidence of financial responsibility for limits of liability under the Oil Pollution Act of 1990 (OPA 90), as required by the 2006 Coast Guard and Maritime Transportation Act. In the notice, the Coast Guard proposes the following:

1. Changing vessel evidence of financial responsibility requirements to be consistent with the 2006 inflation adjustment to the OPA 90 liability limits;
2. In order to facilitate the requirement that the limits of liability be adjusted for inflation every three years, adding a subpart that would change every three years instead of changing an entire section of the regulations;
3. Eliminating the requirement that an original Certificate of Financial Responsibility (COFR) be carried aboard vessels due to the ability of the Coast Guard to view certificates electronically;
4. Increasing COFR application and certification fees based on inflation. A COFR application would cost \$200 and certifications for each vessel would cost \$100; and,
5. Conforming the definition of “owner” to reflect amendments to OPA 90 included in the Coast Guard and Maritime Transportation Act of 2004.

On February 12, the Coast Guard published a correction notice in the *Federal Register* extending the effective date of the NPRM to 120 days after the final rule is published and making minor changes to the preamble to the NPRM.

Comments on the proposal are due May 5. For the original *Federal Register* notice, please click [here](#). For the correction notice in the *Federal Register*, please click [here](#). For more information, please contact Mary McCarthy at (703) 841-9300, extension 254, or via email at [mmccarthy@vesselalliance.com](mailto:mmccarthy@vesselalliance.com).

## TSAC Working Group Reviews Revised Draft of Inspection Regulatory Text

Just before this edition of the *AWO Letter* went to press, the Towing Safety Advisory Committee (TSAC) Towing Vessel Inspection Working Group met February 20-21 in Alexandria, VA, to review a revised draft of the Coast Guard’s draft regulatory text on towing vessel inspection. The working group meeting was a follow-up to a session held in March 2007, at which the Coast Guard provided TSAC with a partial draft of the proposed regulatory text for review. Because the Coast Guard found TSAC’s input on the first draft so helpful, the agency requested the working group reconvene to review a complete draft of the proposed regulatory text, which will be further revised and eventually published as a notice of proposed rulemaking in the *Federal Register*.

More information on the working group’s reaction to the draft text and next steps in the inspection rulemaking will be published in the next *AWO Letter*. In the meantime, AWO members with questions about the towing vessel inspection rulemaking should contact Jennifer Carpenter at (703) 841-9300, extension 260.



### TWIC ENROLLMENT UPDATE

TWIC enrollment has begun/will begin at the following ports:

- **February 21:** Tampa, FL
- **February 22:** Cincinnati, OH; Richmond, CA; S. Louisiana, LA; Anacortes, WA
- **February 29:** Norfolk, VA

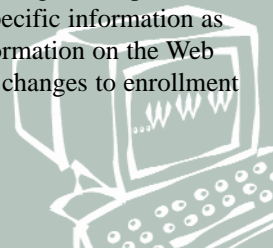
For the complete up-to-date TWIC Quarterly Deployment Plan, please click [here](#).

## TSA Launches New TWIC Web Site

As previewed in the February 8 *AWO Letter*, the Transportation Security Administration (TSA) has launched a new TWIC deployment Web site. This Web site will enable mariners and their employers to more easily access information regarding the TWIC program, including: enrollment center locations and hours; Frequently Asked Questions and answers regarding enrollment; port-specific materials; general communication materials that can be circulated within the stakeholder community; and, links to the pre-enrollment Web site, TSA's TWIC Program Web site and the U.S. Coast Guard's Homeport Web site.

Ports are listed alphabetically under the "schedule" tab. By clicking on the port's name, a port that is open for pre-enrollment will display port-specific information as well as a map of the location of the enrollment center. The information on the Web site will be updated to keep information current and reflect any changes to enrollment center hours or addresses.

The TWIC Deployment Web site can be found by going to <http://twicinformaton.tsa.dhs.gov>.



## Important Dates and Reminders

..... at a glance

*For more information, please contact Hermoine Wellman at (703) 841-9300, extension 291, unless otherwise noted.*

### **March 26-27, 2008:**

Interregion Safety Committee Meeting, Nashville, TN.

### **April 16-18, 2008:**

AWO Spring Convention, Arlington, VA.

### **August 13-14, 2008:**

Midwest and Ohio Valley Regions Joint Summer Meeting, Chicago, IL.

## Mariners Who May Need Waivers Encouraged to Apply Early for TWIC

Mariners who may need waivers under the Transportation Worker Identification Credential (TWIC) program should ensure that they apply for their TWIC as soon as possible in order to begin the waiver process now, AWO and the Transportation Security Administration (TSA) are advising. The TWIC regulations provide for the possibility of a waiver for mariners who have committed a disqualifying offense and received an initial determination of threat assessment from TSA. The current projected turnaround time from enrollment to receipt of TWIC cards for individuals without disqualifying offenses is six to eight weeks, and processing a waiver request will increase that time frame. In order to avoid missing the September 25, 2008, deadline by which existing mariners subject to the TWIC regulations must obtain a card, mariners who know that they have a disqualifying offense in their background are encouraged to enroll and begin the waiver process as soon as possible. A list of disqualifying offenses can be found on the TSA Web site by clicking [here](#).

As of February 20, TSA has issued 1,851 initial disqualification letters. In response, 55 waivers have been requested and five have been granted. In addition to the waiver process, mariners who receive an initial disqualification letter based on incorrect information have the right to appeal the disqualification. As of February 20, 808 appeals have been requested and 648 have been granted. It is important that a mariner file an appeal quickly upon receipt of the initial disqualification letter to avoid additional delays in processing of his or her TWIC.

AWO would like to hear from members who have first-hand experience with the waiver process so that we can advise TSA on how well the process is working, and so that we can provide advice to other members who are in similar situations. All information will remain confidential. Please send this information to Jennifer Carpenter or Krista Reddington at (703) 841-9300, extensions 260 or 251, respectively, or via email at [jcarpenter@vesselalliance.com](mailto:jcarpenter@vesselalliance.com) or [kreddington@vesselalliance.com](mailto:kreddington@vesselalliance.com).

## Senate Committee Holds Hearing on Marine Emissions

On February 14, the Senate Environment and Public Works committee held a hearing on the Marine Vessel Emissions Reduction Act of 2007, S.1499. The bill, introduced by committee Chairwoman Barbara Boxer (D-CA), would require all marine vessels within 200 miles of the U.S. coastline to use fuel that contains fewer than 1,000 parts per million (ppm) of sulfur, and would require the Environmental Protection Agency (EPA) to promulgate regulations on emissions of oxides of nitrogen, particulate matter, hydrocarbons and carbon monoxide from marine engines.

The bill is aimed primarily at foreign-flag vessels and U.S.-flag deep-sea ships trading internationally, as International Maritime Organization (IMO) and EPA regulations to address such vessels have moved more slowly than EPA regulations affecting tugboats, towboats and other U.S.-flag domestic vessels. While Senator Boxer acknowledged that IMO regulation on these issues is pending, she argued that it has taken too long to be completed, thus threatening the health of people in port cities and necessitating U.S. legislation now. The bill would not have a significant impact on the towing industry because EPA regulations already require marine diesel fuel sold in the U.S. to contain no more than 500 ppm sulfur now, and no more than 15 ppm sulfur by 2012.

Bryan Wood-Thomas, Associate Director of EPA's Office of Transportation and Air Quality, testified that EPA expects to finalize a rule it proposed in April 2007 adopting emissions standards for Category 1 and 2 engines, including the engines used in towing vessels, within weeks. (See Members Only section of January 11 *AWO Letter*.)

For Category 3 engines, which run large ships, EPA is attempting to harmonize its regulations with international standards. EPA submitted a proposal to the IMO last year to reduce emissions from Category 3 engines. Last week, the proposal was endorsed by an IMO subcommittee and is now moving forward. Mr. Wood-Thomas urged the Senators to bring to the floor a bill, already passed by the House of Representatives, ratifying MARPOL Annex VI (which sets an international limit on sulfur oxide and nitrogen oxide emissions from ships). If the U.S. has not ratified MARPOL Annex VI, the United States will not be able to vote on the amendments it has proposed to IMO. (Mr. Wood-Thomas noted that because S. 1499 is similar to the U.S. proposal to IMO, EPA has not yet taken a position for or against the bill.)

Ken Wells, President of the Offshore Marine Service Association (OMSA), which represents the American vessels that transport supplies and people to offshore rigs and platforms, also testified. He stated his organization's shared goal with the committee of reducing engine emissions, but expressed concerns that the bill would reduce U.S. competitiveness in the global market because U.S.-flagged vessels would be subject to more stringent requirements, thus putting them at a disadvantage. He pointed out the pending IMO requirements as reflecting the international nature and scope of the offshore market, and recommended that the Senators put their energies toward ratifying MARPOL Annex VI and toward urging the administration and IMO to press forward with the international regulations. Witnesses representing the Ports Association of Louisiana and the

Port of South Louisiana agreed with Mr. Wells, as did Senator David Vitter (R-LA), who suggested that ports in compliance with current Clean Air Act requirements may not need to be subject to further regulation.

For more information on this hearing, please contact Mary McCarthy at (703) 841-9300, extension 254, or via email at [mmccarthy@vesselalliance.com](mailto:mmccarthy@vesselalliance.com).

### Welcome, New Affiliate Members!

**C.L.M. Marine, LLC**  
P.O. Box 1029  
Gray, LA 70359

Rep: Mr. Elliott Crochet  
Owner-Operator

**Furlough Marine Management, LLC**  
P.O. Box 6129  
Norfolk, VA 23508

Rep: Mr. Stephen Furlough

**Moxie Media, Inc.**  
P.O. Box 229  
Sandwich, NH 03227

Rep: Mr. Martin Glenday  
President

**Stapp & Sullivan, P.C.**  
1010 Lamar St., Suite 810  
Houston, TX 77002

Rep: Mr. Jadd Stepp  
Attorney

**US Barge LLC**  
5555 N. Channel Ave.  
Portland, OR 97217

Rep: Mr. Brian Akin  
Sales and Marketing

## Interregion Safety Committee to Meet

The spring meeting of the AWO Interregion Safety Committee will be held on March 26-27 at the Renaissance Nashville Hotel, located at 611 Commerce Street, Nashville, TN 37203.

The meeting will begin at 1:00 p.m. on Wednesday, March 26 and will be followed by a reception. The meeting will resume at 8:00 a.m. on Thursday, March 27 and will conclude by 12:00 noon. The hotel is holding a block of rooms at \$159.00 (for a single/double) **until Friday, March 3**. Reservations can be made by calling (615) 225-2400 or (800) 327-6618 and mentioning that you are with the American Waterways Operators.

At the meeting, the committee will discuss ways to improve the effectiveness of the Safety Committee and improve integration of their efforts into the overall work of the association.

All AWO member companies are invited to send a representative to the meeting, particularly company safety and security officers. Committee members are invited to “bring a mate (or captain or deckhand)” or anyone else who might benefit from seeing the work

of a broad base of industry safety professionals and helping to learn new ways crewmembers can help in upgrading the safety culture of the inland barge and towing industry.

To RSVP for the meeting or for further information, please contact Bob Clinton at (703) 841-9300, extension 253, or via email at [bclinton@vesselalliance.com](mailto:bclinton@vesselalliance.com).



## 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) 267-0173.

DATE	LOCATION	CONTACT
February 27-28	Salyers Solutions, LLC Huntington, WV	Jo Ann Salyers (Instructor) (504) 236-4962 <a href="mailto:salyers_solutions@hughes.net">salyers_solutions@hughes.net</a>
March 10-11	Salyers Solutions, LLC New Orleans, LA	Jo Ann Salyers (Instructor) (504) 236-4962 <a href="mailto:salyers_solutions@hughes.net">salyers_solutions@hughes.net</a>
April 21-22	Salyers Solutions, LLC New Orleans, LA	Jo Ann Salyers (Instructor) (504) 236-4962 <a href="mailto:salyers_solutions@hughes.net">salyers_solutions@hughes.net</a>
May 6-7	Salyers Solutions, LLC St. Petersburg, FL	Jo Ann Salyers (Instructor) (504) 236-4962 <a href="mailto:salyers_solutions@hughes.net">salyers_solutions@hughes.net</a>
May 21-22	Salyers Solutions, LLC Baltimore, MD	Jo Ann Salyers (Instructor) (504) 236-4962 <a href="mailto:salyers_solutions@hughes.net">salyers_solutions@hughes.net</a>
June 18-19	Salyers Solutions, LLC Huntington, WV	Jo Ann Salyers (Instructor) (504) 236-4962 <a href="mailto:salyers_solutions@hughes.net">salyers_solutions@hughes.net</a>
June 30-July 1	Salyers Solutions, LLC Honolulu, HI	Jo Ann Salyers (Instructor) (504) 236-4962 <a href="mailto:salyers_solutions@hughes.net">salyers_solutions@hughes.net</a>



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 [mccarthy@vesselalliance.com](mailto:mccarthy@vesselalliance.com).

## 2008 AWO Safety Calendar Orders Still Being Accepted

The 2008 AWO Safety Calendar was unveiled at the Fall Convention in Houston, TX, revealing the winners of the seventh annual Photo Contest. The theme of this year's calendar is "Crew Endurance Management" and each page contains an important safety message. It is also a tool that AWO uses to promote the industry's commitment to safe operations by distributing the calendar to members of Congress, regulators in the Coast Guard and other federal agencies, state legislators and the media.



Calendars are on sale for \$12.00 each. If you would like to order calendars, please fill out the attached form and mail it with a check, or fax it and be invoiced, to:

Mary McCarthy  
 The American Waterways Operators  
 801 North Quincy Street  
 Suite 200  
 Arlington, VA 22203  
 (703) 841-0389 (fax)

## 2008 AWO Letter Sponsorships Available

AWO is now accepting sponsorship applications for the 2008 *AWO Letter*. Each great advertising opportunity costs \$500, which includes a front-page "sponsorship block" featuring your company's name, location, logo, and Web site address.

If you are interested in securing a sponsorship, please contact Mary McCarthy at (703) 841-9300, extension 254, or via email at [mmccarthy@vesselalliance.com](mailto:mmccarthy@vesselalliance.com).

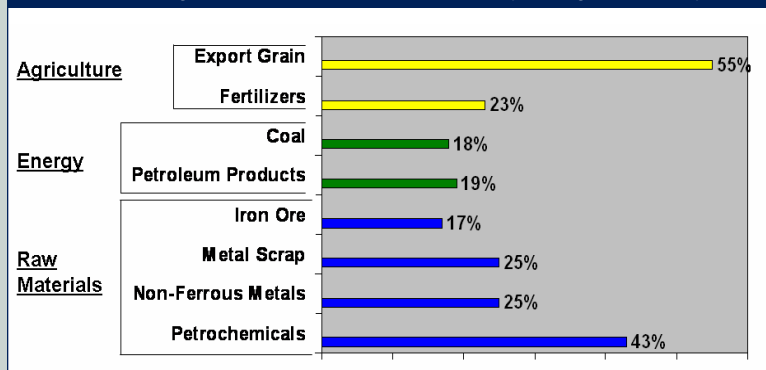


## DID YOU KNOW?

### Barges Transport Significant Amounts of Important Bulk Goods

Barges move a significant share of many of the key commodities for industries vital to America's economy. As the chart below shows, these include inputs to important industries, including fertilizer for farmers, coal for electrical power plants, and petrochemicals for chemical companies that produce a wide range of commercial and consumer products. Delivering these products in a cost-efficient, environmentally-friendly manner underscores the importance of the tugboat, towboat, and barge industry to the nation.

Percentage of Commodities Moved by Barge Industry



Sources: U.S. Army Corps of Engineers, U.S. Department of Agriculture, and Global Insight. For more information, please contact Doug Scheffler, Government Affairs Associate, at (703) 841-9300, extension 264, or via email at [dscheffler@vesselalliance.com](mailto:dscheffler@vesselalliance.com).

Pacific Region

## Pacific Region Annual Meeting Provides Path Forward

On February 7, the AWO Pacific Region held its annual meeting to discuss a number of critical issues facing the region and the industry. The meeting presentations were crafted to allow for more member interaction and provided members the opportunity to ask questions and delve deeper into the subject matter.

During the annual meeting the members also approved the Pacific Region Board slate and the 2008 regional priorities.

Pacific Region Chairman Ric Shrewsbury, Western Towboat, began the meeting by discussing some of the priorities for the region. Mr. Shrewsbury outlined the importance of a strong grassroots campaign, increased Political Action Campaign (PAC) participation and how those two tools can be utilized to achieve success in the realm of public policy.

The Pacific Region was honored to host AWO Chairman of the Board Royce Wilken, American River Transportation, Co., who not only flew across the country to attend the meeting but also gave a report on the challenges facing AWO. Mr. Wilken reported that the Vice President for the Southern Region office of AWO will be filled by the April Convention.

Jason Lewis, Vice President - Pacific Region, reported on the prevailing issues for the region including emissions reductions and oil spills. The members were engaged with the discussion topics and provided insightful and helpful recommendations to AWO staff. Some of those recommendations included reaching out to AWO counsel to have a legal analysis performed on


the California harbor craft regulation. A work group will be formed, comprised of AWO members, to discuss legal options in California, develop an end-game goal and, most importantly, develop a long-term voluntary strategy that can be used to reduce emissions without placing an undue burden on the industry.

Also discussed at the meeting was the formation of a work group called the Pacific Region Public Image Campaign. The goal of the group will be to work with editorial boards and radio and television stations to increase public awareness of the industry and create a more positive public image.

Tom Allegretti, AWO President & CEO, gave a report on the state of AWO's organizational transition. AWO now has the resources available to more adequately meet the challenges of the current advocacy environment. The Government Affairs Associates will be the issue experts on the key issues affecting the industry and will become more involved in the day-to-day advocacy. The idea is to provide more bench strength to AWO's Vice Presidents and Senior Vice Presidents.

Coupled with Mr. Allegretti's report was a presentation by Jennifer Carpenter, AWO Senior Vice President - National Advocacy, discussing the 2008 National Priorities. Ms. Carpenter gave a more detailed explanation of issues such as the Transportation Worker Identification Credential (TWIC) and the towing vessel regulation and answered a number of member questions on the issues facing the industry.

Finally, CDR Craig Swirbliss, Operations & Oversight Division of the National Maritime Center, gave a technical presentation on the Coast Guard's improvements to mariner licensing. The presentation was very detailed but the message that the Coast Guard is trying to be more customer service oriented seemed clear.

For additional information, please contact Jason Lewis, Vice President - Pacific Region, at (206) 262-7308, or [jlewis@vesselalliance.com](mailto:jlewis@vesselalliance.com). 

## Welcome, New Carrier Members!

**Andrie, Inc.**

P.O. Box 1548  
Muskegon, MI 49443

Rep: Mr. Matt Stump  
Environmental & Safety  
Coordinator

**Lafayette Workboat Rentals**

P.O. Box 1350  
Broussard, LA 70518

Rep: Mr. Dale Martin  
CEO

**Magnolia Fleet, LLC**

P.O. Box 813  
Destrehan, LA 70047

Rep: Mr. Daniel Weidner  
President

# 2008 AWO SAFETY CALENDAR ORDER FORM



AWO's Safety Calendar is back and better than ever! The 2008 calendar focuses on the Crew Endurance Management (CEMS) program, and features a number of beautiful, full-color photos – all winners of AWO's seventh annual Safety Calendar Photo Contest.

To order copies of the **2008 AWO Safety Calendar**, please complete the form below and mail it with payment to the address indicated.

✂ *Detach lower portion and mail (with check or money order) to the address below.*

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*\* No P.O. Boxes, please!*

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Attn: Mary McCarthy - SAFECAL