

## AWO Holds Summer Regional Meetings

### Coast Guard, MarAd, BOEM Officials Address Members

**A**WO members across the country are coming out of a very busy August marked by meetings of the Pacific Region in Berkeley, CA, August 7-8; the Midwest, Ohio Valley and Southern Regions on August 15-16 in Louisville, KY; and the Atlantic Region on August 20-21 in New York City.

“These were some of the most productive regional meetings that we have ever held,” said Tom Allegretti, AWO’s President & CEO. “The discussion and dialogue were very substantive; the interaction with the Coast Guard, MarAd, BOEM and other agencies was stellar; and the slate of presentations and guest speakers was really top-notch. If you had the chance to attend these meetings, it was time very well spent.”

All of the regional meetings were attended by AWO Chairman Buckley McAllister, McAllister Towing, and AWO Vice Chairman Frank Morton,

Turn Services, LLC. Mr. McAllister’s Chairman’s Remarks at each meeting focused on the need for AWO as a trade association to be resilient in its operations just as AWO member companies strive to be resilient in their businesses. Participants at each meeting also covered topics unique to each region and received updates on national issues impacting the industry.

The **Pacific Region** meeting featured a meeting of the Coast Guard-AWO Safety Partnership’s Pacific Region Quality Steering Committee on August 7 led by Daniel Massey, Coast Guard PACAREA Towing Vessel Specialist, and Charles Costanzo, AWO Vice President – Pacific Region. (See related story, page 7.)

During the Business Session, AWO Pacific Region Chairman Dan Nutt, Kirby

Offshore Marine, LLC, introduced Coast Guard PACAREA Commander VADM Paul Zukunft. The admiral, who also joined AWO national and regional leaders at a welcome luncheon, expressed gratitude for the towing industry’s commitment to safety and for its readiness as a force multiplier in supporting critical Coast Guard missions. VADM Zukunft highlighted many of those missions and remarked on the challenges of sequestration and difficult budget choices facing the Coast Guard.

Mr. Costanzo and Mr. Nutt also addressed the meeting on region-specific topics including oil spill prevention and response, water quality measures in California and Washington, the impacts of recent international regulation on the towing industry and the importance of

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RADM Kevin Cook, Acting Maritime Administrator Chip Jaenichen, and AWO Chairman, Buckley McAllister, McAllister Towing, at the Combined Meeting of the Midwest, Ohio Valley and Southern Regions in Louisville, KY.

# AWO Holds Summer Regional Meetings

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effective political engagement. John Berge of the Pacific Merchant Shipping Association provided a helpful overview of issues and challenges facing the bluewater sector of the West Coast maritime industry. Mr. Berge and PMSA are valuable partners for AWO and their contributions to AWO meetings underscore the value of a unified maritime coalition. AWO Coastal Sector Committee Chairwoman Susan Hayman, Foss Maritime Company, led a vibrant open discussion in which she highlighted recent changes in California air emission regulations, the challenges presented by California conditions to the Vessel General Permit and implementation of the Maritime Labor Convention.

On August 8, Mr. Nutt kicked off the members-only discussion session, which featured a presentation by former AWO Chairman Dale Sause, Sause Bros., on the recommendations of the Task Force on Future Missions and Capacity of AWO. Mr. Costanzo led a discussion on AWO's engagement strategy with the California Water Resources Control Board on the implementation of California's VGP conditions. The group then adjourned to a plenary session to discuss needed modifications to the Pacific Region Strategy and Priorities Plan, a document which guides AWO work in the Pacific Region and ensures that staff and member assets are being efficiently deployed to address unique regional and state regulatory challenges.

On August 15-16, AWO moved east to Louisville, the site of the **Combined Summer Meeting of the Midwest, Ohio Valley, and Southern Regions**. In addition to the Summer Meeting,

the AWO Interregion and Coastal Safety Committees and the Mid-America Regional Quality Steering Committee of the Coast Guard-AWO Safety Partnership met during the week as well (see related story, page 7).

The Summer Meeting began with a business session on August 15 chaired by Ohio Valley Region Chairman Bill Barr, Amherst Madison, Inc. The meeting's keynote speaker, RADM Kevin Cook, Eighth Coast Guard District Commander, noted with pride that "the industry pulls together and shows its best colors" when facing challenges such as the last year's low water on the Mississippi River. Stressing themes of safety, proficiency and community, RADM Cook praised the partnership shared between the Coast Guard and the industry and urged members to help break through new frontiers and take that partnership to a higher level.

Chairman Barr had the pleasure of introducing another featured speaker, Acting Maritime Administrator Paul "Chip" Jaenichen, who addressed how his agency was looking to work with AWO and its members in promoting the industry and its role in "green" freight movement. Administrator Jaenichen also explained the role MarAd is playing in Small Shipyard Grants and discussed how he and MarAd could serve as advocates for the industry as whole.

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**-Tom Allegretti  
AWO President & CEO**

On August 16, AWO **Southern Region** Chairman Z. David Deloach, Deloach Marine Services, called the meeting's Discussion Session to order. Craig Philip, Ingram Barge Company, co-chairman of the Task Force on Future Missions and Capacity of AWO, presented the task force recommendations and answered member questions with the help of other members of the task force, including AWO Vice Chairman Frank Morton, Turn Services, LLC; AWO Treasurer George Foster, JB Marine Service, Inc.; Merritt Lane, III, Canal Barge Company; Brent Nissen, American River Transportation Company; Peter Stephaich, Campbell

Transportation Company, Inc.; Paul Tobin, American Commercial Lines, Inc.; and, Clark Todd, Blessey Marine Services, Inc. Following an extensive discussion on capacity, Towing Safety Advisory Committee Vice Chairman Cathy Hammond, Inland Marine Service, updated members on TSAC's work to develop recommendations on manning of towing vessels inspected under Subchapter M and encouraged AWO members to attend the upcoming TSAC meeting September 4-6 in Chicago.

AWO's **Atlantic Region** concluded the series of summer meetings, gathering August 20-21 in New York City. Highlights of the meeting included a keynote address by CAPT Gordon

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# AWO Holds Summer Regional Meetings

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Loebl, Commander, Coast Guard Sector New York, and a presentation by Dr. Walter Cruickshank, Deputy Director, Bureau of Ocean Energy Management. CAPT Loebl discussed how sequestration has affected the Coast Guard's ability to carry out its multiple missions in Sector New York and, more broadly, in the First District. CAPT Loebl shared the fact that as of August 19, roughly 90 percent of eligible towing vessels in Sector New York have been inspected under the Towing Vessel Bridging Program. CAPT Loebl reiterated the Coast Guard's goal of bringing the TVBP participation rate to 100 percent by encouraging the remaining operators, most of whom are not AWO members, to submit to voluntary inspections.

Later in the afternoon, Dr. Cruickshank delivered a comprehensive and informative presentation on the progress of offshore alternative energy development on the Atlantic coast. Dr. Cruickshank is the second-most senior official at BOEM and he reiterated that agency's commitment to minimizing maritime safety concerns brought about by the siting of Wind Energy Areas. His presentation focused extensively on the offshore energy development process, highlighting the different stages of various projects from Maryland to Virginia to North Carolina. He implored AWO and its member companies to remain engaged in the process and assured that our industry's concerns would be addressed.

At the members-only Discussion Session August 21, Ted Tregurtha, Moran Towing, co-chairman of the Task Force on Future Missions and Capacity of AWO, presented the task force's recommendations and answered questions with the help of task force

member and AWO Vice Chairman Frank Morton, Turn Services LLC. Jeff Parker, Kirby Offshore Marine, presented to the group on manning and international requirements impacting the towing industry and led a robust discussion on the topic following his presentation. During the discussion, Jennifer Carpenter, AWO Senior Vice President – National Advocacy, reminded members that the Maritime Labor Convention took effect in the waters of ratifying countries beginning August 20 and that the Coast Guard was working on a Memorandum of Understanding with Transport Canada

that when finalized will require U.S. vessels over 500 GT ITC to have an SOVC-MLC Certificate. Canada will consider vessels under 500 GT ITC to be compliant with the MLC if the vessel has a valid (unexpired) TVBP decal.

Presentations from all regional meetings are available on AWO's [website](#). For more information, please contact Charles Costanzo at (206) 257-4723 or [ccostanzo@vesselalliance.com](mailto:ccostanzo@vesselalliance.com); Lynn Muench at (314) 446-6474 or [lmuench@vesselalliance.com](mailto:lmuench@vesselalliance.com); or Mark Wright at (985) 674-3600 or [mwright@vesselalliance.com](mailto:mwright@vesselalliance.com).

## AWO Thanks Our Sponsors!

The Summer Regional and Safety Meetings were attended and enjoyed by over 200 members thanks to the generous sponsorships of the following member companies. Their support helps ensure members experience full and productive meetings. Our gratitude goes out to all sponsoring companies and their representatives.



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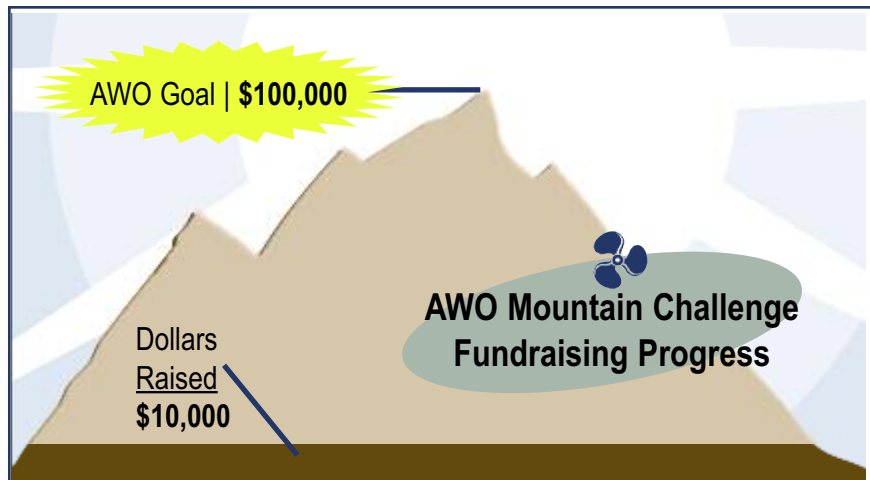
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# Team AWO Fundraising Efforts Surge – Over \$10,000 Raised!



With the SCI Mountain Challenge less than three weeks away, Team AWO is busy making its final preparations for the intense event course. Many AWO members have joined our efforts, donating over \$10,000 to date in support of Team AWO and SCI's valuable missions. We are very grateful for these donations and are confident that with your continued support over the remaining days before the Challenge, that Team AWO will reach its goal of being the top fundraising team for the SCI Mountain Challenge.



One of SCI's most important missions is Mariner Hospitality and Ministry. SCI operates seafarer hospitality centers in Port Newark, NJ and the Port of Oakland, CA that provide a warm welcome as well as phones and computers to contact loved ones, recreational facilities for exercise and relaxation, and van transportation to local stores and other destinations. For seafarers without shore leave, SCI brings hospitality to them, providing cell phones, mobile internet hot spots and other useful items. SCI provides similar services for domestic mariners through its popular and successful Ministry on the Rivers and Gulf program. Funds raised through the Mountain Challenge will directly support SCI's Marine Hospitality and Ministry mission and its other important work.

**Time is running short! Can you make a donation today?**  
Let's finish strong and show how committed our industry is to supporting SCI and its vital work. 🌀

## Two Easy Ways to Donate!

Contributions of any size from **companies and individuals** will be most appreciated as AWO works to meet its ambitious fundraising goal. Corporate donations are permissible and fully tax-deductible and we encourage member companies to choose between three giving levels: Platinum (\$5,000), Gold (\$2,500) or Silver (\$1,000).

To donate **on-line** using a credit card, please visit Team AWO's fundraising page by clicking [here](#).

To donate via **mail**, please send a check made payable to The Seamen's Church Institute of New York and New Jersey to AWO, Attention: Carmina Smith, 801 North Quincy Street, Suite 200, Arlington, VA 22203.

## Team AWO Warmly Thanks Our Sponsors and Contributors!

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**Dan Nutt**

## AWO Coastal and Interregion Safety Committees Hold Joint Meeting in Louisville

On August 14 and 15, the AWO Coastal and Interregion Safety committees held a joint meeting in Louisville, KY, preceding the AWO Combined Summer Meeting of the Midwest, Ohio Valley, and Southern Regions. The safety committees' meeting, which was attended by almost 140 representatives of AWO member companies, was moderated by Coastal Safety Committee Chairman Matt Baker, Moran Towing Company, and Interregion Safety Committee Chairman Jason Adams, Ingram Barge Company.

In his remarks, Mr. Baker praised the number and quality of the Lessons Learned presentations at recent safety committee meetings and reminded the committees that one-pagers describing each presentation can be found on the AWO website. He also briefed the group on the ongoing effort of the chairmen, vice chairmen, and immediate past chairmen of the safety committees to develop a standing "safety leadership team" to ensure the assets of the committees are utilized effectively and can provide input on the work of other AWO safety initiatives.

In his Thursday remarks, Mr. Adams nominated Mary McCarthy, Canal Barge Company, to the vacant position of Vice Chairman of the Interregion Safety Committee, which was unanimously approved. He also discussed the work of the Coast Guard-AWO Safety Partnership's National Quality Steering Committee, including its forthcoming Quality Action Team on the prevention of operational oil spills from towing vessels. He encouraged members of the safety committees to get involved in this and other AWO safety initiatives, such as



New Interregion Safety Committee Vice Chairman Mary McCarthy, Canal Barge Company, pictured with Past Interregion Safety Committee Chairman Jim Smith, Magnolia Marine Transport Company, and Interregion Safety Committee Chairman Jason Adams, Ingram Barge Company.

the Safety Partnership's Regional Quality Steering Committees and the working groups implementing the recommendations of the Task Force on the Future of AWO Safety Leadership.

Over two days, the safety committees listened to Lessons Learned presentations from Dr. Roger King, Crowley Maritime Corporation, on Crowley's near-miss reporting program; Ms. McCarthy on Canal's e-training to prevent falls overboard; James Horton, Marquette Transportation Company, Inc., on risk management methods Marquette has implemented to reduce

injuries and incidents; Brian Kennedy, Seabulk International, Inc., on Seabulk's efforts to encourage near-miss reporting; Dave Riches, Kirby Corporation, on the near-miss reporting practices exercised within Kirby; and David Olson, Moran Towing Corporation, on Moran's program to increase and evaluate near-miss reports.

The keynote address was delivered by Dr. Raghu P. Upender, Vanderbilt University, who discussed sleep apnea and his cooperative work with Ingram Barge Company to identify, diagnose, and treat at-risk towing vessel crew

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## AWO Coastal and Interregion Safety Committees Hold Joint Meeting in Louisville

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members. CDR Lee Boone, Commanding Officer of Coast Guard MSU-Huntington, discussed the cooperative initiatives underway in Sector Ohio Valley to improve safety by sharing information and building relationships between the Coast Guard and industry. In addition, the co-chairmen of the Working Group on AWO Safety Statistics Reporting, Fred Nyhuis, Marathon Petroleum Company, LP, and Jeff Parker, Kirby Offshore Marine, LLP, sought the safety committees' input on several significant questions to guide the direction of their work.

The safety committees also heard updates from Tava Foret, Towing Vessel Inspection Bureau, on the transition of Responsible Carrier Program auditor training and certification responsibility from AWO to TVIB, and from Towing Safety Advisory Committee Vice Chairman Cathy Hammond, Inland Marine Service, on the ongoing work of TSAC and its subcommittees. Tom Allegretti, AWO President & CEO, briefed the safety committees on the association's progress toward the achievement of its strategic goals, and Jennifer Carpenter, Senior Vice President – National Advocacy, and Caitlyn Stewart and Brian Vahey, Government Affairs Managers, advised the group of near-term regulatory compliance challenges. Finally, Dave Brown, Ingram Barge Company, updated the safety committees on the evolution of the crew endurance issue and AWO's work with the Coast Guard, Northwestern University, and the Transportation Research Board to develop and implement practical and effective approaches to preventing fatigue and managing crew endurance risk factors.

In conjunction with the Coastal and Interregion Safety committees' joint meeting, representatives of AWO member companies with coastal operations met on August 15 to conduct a roundtable discussion on important safety issues impacting bluewater operators. Mr. Baker moderated a discussion that covered a number of topics, including the forthcoming Coast Guard final rule implementing the International Convention on Standards of Training, Certification, and Watchkeeping for Seafarers, which is expected to be published this fall, and the Maritime Labor Convention, which took effect for U.S.-flagged vessels traveling internationally on August 20. In addition, Ms. Hammond briefed coastal safety professionals on TSAC's efforts to recommend appropriate manning requirements for towing vessels once Subchapter M takes effect. AWO Chairman Buckley McAllister, McAllister Towing, and Vice

Chairman Frank Morton, Turn Services, LLC, were also in attendance to listen to members' questions and concerns.

For more information about the safety committees' joint meeting, please contact Lynn Muench at (314) 446-6474 or at [lmuench@vesselalliance.com](mailto:lmuench@vesselalliance.com), or Caitlyn Stewart at (703) 841-9300, extension 262, or at [cstewart@vesselalliance.com](mailto:cstewart@vesselalliance.com). For more information about the Coastal Safety Committee Roundtable, please contact Brian Vahey at (703) 841-9300, extension 251, or [bvahey@vesselalliance.com](mailto:bvahey@vesselalliance.com).

### Pacific RQSC Meets in California

On August 7, AWO and the U.S. Coast Guard held the biannual Pacific Regional Quality Steering Committee meeting at the Claremont Hotel in Berkeley, California. The meeting was led by Daniel Massey, Coast Guard PACAREA Towing Vessel Specialist, and Charles Costanzo, AWO's Vice President – Pacific Region. The RQSC is the regional arm of the Coast Guard-AWO Safety Partnership and brings together safety professionals from within AWO's Pacific Region membership and Prevention Chiefs from the four Coast Guard Districts in PACAREA.

At the outset of the RQSC meeting, Jennifer Carpenter, AWO Senior Vice President – National Advocacy, provided a detailed overview of the July 2013 National Quality Steering Committee meeting in Washington, DC. The Pacific RQSC continues to work on the Towing Vessel Casualty Quality Action Team, which involves analyzing all medium- to high-severity towing vessel casualties in Coast Guard PACAREA since 1995. The goal of this analysis is to drive continuous improvement in towing vessel safety and to heighten safety issue awareness for Coast Guard and industry safety professionals. Rod Jones and Scott Craig, Crowley Maritime Corporation, also gave a powerful presentation on how a 2009 vessel grounding in Alaska inspired Crowley's journey to achieving flawless performance at its Valdez operation.

For more information, please contact Charles Costanzo at (206) 257-4723 or [ccostanzo@vesselalliance.com](mailto:ccostanzo@vesselalliance.com).

## Mid-America RQSC Holds Summer Meeting in Louisville

On August 14, the Mid-America Regional Quality Steering Committee held its summer meeting prior to the AWO Midwest, Ohio Valley, and Southern regions' Combined Summer Meeting in Louisville, KY. The RQSC is part of the U.S. Coast Guard-AWO Safety Partnership, which has focused on developing non-regulatory solutions to safety, security and environmental issues facing the tugboat, towboat, and barge industry for 18 years.

Mid-America RQSC co-chairs Mark Wright, AWO Vice President – Southern Region, and CAPT John Arenstam, Eighth Coast Guard District Chief of Western Rivers, opened the meeting with introductions that included the announcement of new additions Z. David Deloach, Deloach Marine Services, and Bill Barr, Amherst Madison, Inc. They will replace outgoing members Fred Nyhuis, Marathon Petroleum Company, LP, and Mario Munoz, Turn Services, LLC, whom the co-chairs thanked for their service.

Following introductions, the RQSC discussed the progress of three of its working groups. First, Caitlyn Stewart, AWO Government Affairs Manager, talked about the final report of the Casualty Reporting Quality Action Team, which reviewed the recommendations of a 1999 working group related to casualty reporting policies and procedures. RQSC members also discussed a proposed Towing Safety Advisory Committee task statement to suggest changes to form CG-2692, which will be presented to TSAC at its September meeting. RQSC member Jason Adams, Ingram Barge Company, then proposed next



steps for the Casualty Data QAT, which will identify specific geographic areas where casualties are occurring and bring together local stakeholders in an attempt to address the causes. RQSC members decided that the Wilkinson Point area on the Mississippi River near Baton Rouge, LA, is the best initial location to pilot the process. The final working group discussion addressed the proposed Western Rivers Aids to Navigation

Efficiency QAT. CAPT John Arenstam discussed the Coast Guard's interest in this matter and noted that RADM Kevin Cook, Commander of the Eighth Coast Guard District, had suggested the Mid-America RQSC take on this task. RQSC members discussed several important considerations for the working group as the co-chairs draft the charter.

Lynn Muench, AWO Senior Vice President – Regional Advocacy, led a discussion of the standard process to update Waterways Action Plan, with the goal of ensuring that important lessons learned are captured in each annex after every action event. The RQSC also heard AWO staff reports on the July meeting of the National Quality Steering Committee, the recent work of the River Industry Executive Task Force, and the status of the Towing Vessel Bridging Program's Bridging and Implementation Team work groups. In addition, the RQSC was briefed on the progress of the AWO Working Group on Safety Statistics Reporting by co-chair Mr. Nyhuis and plans for the AWO Coastal and Interregion Safety committees' joint meeting by Interregion Safety Committee Chairman Mr. Adams.

Finally, RQSC member Mike Vitt, E.N. Bisso & Son, Inc., provided an update on the various subcommittees of TSAC, of which he is also a member.

Guests at the meeting included LCDR Emily Saddler, Ninth U.S. Coast Guard District, and Cherrie Felder, Channel Shipyard Company, Inc.

For more information on the Mid-America RQSC meeting, please contact Mark Wright at (985) 674-3600 or via email at [mwright@vesselalliance.com](mailto:mwright@vesselalliance.com), or Caitlyn Stewart at (703) 841-9300, extension 262, or via email at [cstewart@vesselalliance.com](mailto:cstewart@vesselalliance.com).

### Save the Date for the AWO Fall Convention!

**October 16 - 18**  
2013 AWO Fall  
Convention & Board  
Meeting  
The Ritz-Carlton, South  
Beach  
Miami, Florida

A block of rooms has been reserved for your convenience at The Ritz-Carlton for \$229, exclusive of taxes and fees. This rate will expire on September 13th, so please make your reservations today through the hotel website or by calling 1-800-241-3333. The internet reference code for the block is "AWOAWOA." You will need to enter the code to access the special rate.

## Online Dialogue for DOT Strategic Plan Ends September 10



The U.S. Department of Transportation has opened an online dialogue on updates to the department's [strategic plan](#) for Fiscal Years 2014-2018. The update is required under the GPRA Modernization Act, which mandates that federal agencies update their strategic plans at the start of a presidential term.

The online dialogue ends September 10. To participate in the dialogue and provide comments on the strategic plan, click [here](#). For more information, please contact Brian Bennett at (703) 841-9300, extension 279, or [bbennett@vesselalliance.com](mailto:bbennett@vesselalliance.com).

The plan cites the importance of maintaining the capability of the inland lock and dam system while better incorporating maritime assets into freight movement plans. The plan also says that maintaining the system will reduce maintenance costs of other transportation modes by allowing more freight to move on the waterways. Additionally, it cites the cost of delays caused by the lack of investment in inland waterways infrastructure. The plan supports advancing a vital and viable U.S. maritime transportation system that includes U.S. vessels and highlights the importance of U.S.-flagged vessels to national security and the economy.

### Got Links?

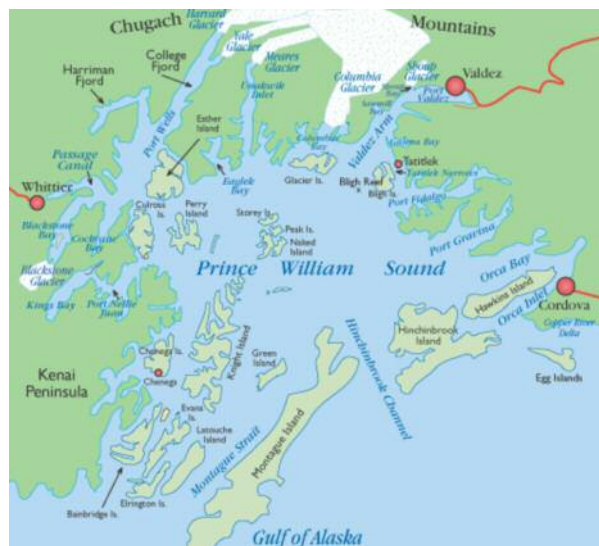


If you receive a hard copy of the *AWO Letter* and need to know the exact web address of the hyperlink in any article, please contact Frank Leach at (703) 841-9300, extension 254, or at [fleach@vesselalliance.com](mailto:fleach@vesselalliance.com).

## Escort Tugs to Be Required for Prince William Sound Double Hull Tankers

The U.S. Coast Guard has issued an [interim rule](#) requiring two tug escorts for double hull tankers over 5,000 gross tons transporting oil in Prince William Sound, Alaska. The rule, required by the Coast Guard Authorization Act of 2010, extends the tug escort requirements of the Oil Pollution Act of 1990 to double hull tank vessels. Coast Guard regulations have required tug escorts for single hull tank vessels over 5,000 GRT transporting oil in Prince William Sound since 1994.

The interim rule is effective September 18, but the Coast Guard will accept comments until November 18. For more information, please contact Charlie Costanzo at (206) 257-4723 or [ccostanzo@vesselalliance.com](mailto:ccostanzo@vesselalliance.com).



Join our virtual community for the towboat, tugboat, and barge industry. Click [here](#) to view AWO's Facebook page and join. Spread the word among your colleagues!



## Coast Guard Holds Polar Code Workshop



Ira Douglas, Crowley Maritime (left), with Wayne Lundy of the Coast Guard Office of Design and Engineering Standards at the Polar Code workshop.

On August 22-23, the U.S. Coast Guard held a public workshop at its Washington, DC headquarters to discuss the International Maritime Organization Polar Code. AWO members Ira Douglas and Scott Craig, Crowley Maritime Corporation, and Dan Nutt, Kirby Offshore Marine, LLC, were in attendance along with AWO Government Affairs Associate Kevin Dowling. The Coast Guard held the workshop to gather the public feedback necessary to formulate an official U.S. position on the pending Code in preparation for an upcoming IMO intersessional meeting September 30 – October 4 in London.

The Polar Code would regulate marine equipment and operations in Arctic and Antarctic waters, and may impact U.S. towing vessels conducting seasonal operations in Alaska. The Coast Guard used the workshop to gather feedback

from stakeholders on specific details of the Code which could bring towing vessels into the same regulatory framework as ships that operate in the Arctic year-round.

AWO believes that the Coast Guard and IMO must carefully consider the seasonality and geography of U.S. towing operations in Alaska. AWO members and staff cited the critical role of towing vessels in the Alaskan economy and reiterated the contention that an effective Polar Code would offer flexibility to Arctic operators based on location, season and operational details. At the workshop, AWO also sought clarification on where exactly the Code would apply, noting that recent drafts of the Code referenced a different geographic area from earlier documents. AWO advanced the position that certain towing vessels should be exempted

from portions of the Code's regulations depending on when and where they are operating. The Coast Guard is looking for industry to take the lead on the formulation of an official U.S. position, and AWO is currently developing formal comments.

An IMO subcommittee began work on the draft International Code of Safety for Ships Operating in Polar Waters, the Polar Code, in 2010. It is expected to be considered at the full committee level in the spring of 2014 and final implementation is still several years away. AWO will work closely with industry and the Coast Guard to ensure the Polar Code does not hinder the critical role the tug and barge industry plays in the Alaskan economy. For more information on this issue, please contact Kevin Dowling at (703) 841-9300, extension 264 or [kdowling@vesselalliance.com](mailto:kdowling@vesselalliance.com).

## Merchant Marine Personnel Advisory Committee to Meet

On September 11-12, the Merchant Marine Personnel Advisory Committee will meet in Linthicum Heights, MD. The *Federal Register* notice and agenda for this meeting can be viewed [here](#). MERPAC working groups will meet September 11 and present updates on their work to the full committee on September 12. Subjects of MERPAC working group activity include:

- Implementation of the Maritime Labor Convention of 2006;
- Development of competency requirements for mariners on vessels working in Polar regions;
- Revisions to Coast Guard forms for documenting merchant mariner medical evaluations;
- Crew training requirements for personnel on natural gas-fueled vessels;
- Utilizing military education, training and assessment to meet STCW and Coast Guard certification requirements; and,
- Competency requirements in the STCW for chief engineers on high horse power, limited tonnage vessels.

A sizable number of oceangoing towing vessels fall into the high horsepower, limited tonnage category, and AWO has worked closely with its members and the Coast Guard to ensure that chief engineers on these vessels are not subjected to the same regulations as their counterparts on large deep draft vessels. The MERPAC work on this issue will be used as the basis of the U.S. position in upcoming IMO proceedings where the delegation will work to ensure that chief engineers on towing vessels have their own separate competency table in STCW regulations.

MERPAC is a federal advisory committee that makes recommendations to the Coast Guard regarding training, credentialing and fitness standards for U.S. merchant mariners. For information on the upcoming meeting please contact Kevin Dowling at (703) 841-9300, extension 264, or [kdowling@vesselalliance.com](mailto:kdowling@vesselalliance.com).



## Coast Guard Final Rule Makes Port Arthur VTS Mandatory

### *Other VTS Areas, Requirements Also Addressed*

The U.S. Coast Guard has published a final rule revising and updating the regulations of the Vessel Traffic Service in waters off of Texas, Louisiana and Washington State. Participation in the VTS in Port Arthur, TX, is now mandatory and Lake Charles, LA, is also now covered by VTS regulation. These regulatory changes are based upon the findings of Port and Waterways Safety Assessments that were conducted in 1999 in Port Arthur and in 2000 in Lake Charles. The respective PAWSAs found that an expansion of VTSs in those areas was necessary for maintaining vessel safety.

A VTS Special Area in Puget Sound, WA has also been consolidated and expanded. The VTS Special Area now includes the waters of Bellingham Bay, western Padilla Bay, waters east of Guemes Island and waters in the vicinity of Vendovi Island. In addition, the final rule makes technical changes to the Code of Federal Regulations by officially adding designated frequencies for the Maritime Mobile Service Identifiers of Louisville, KY, and Los Angeles/Long Beach. Changes to outdated language regarding the carriage of dangerous cargo and sailing plans were also included in the final rule.

The 1972 Ports and Waterways Safety Act gave the Coast Guard the authority to create Vessel Traffic Service regulations to safely control vessel traffic. Subsequent amendments gave the Secretary of the department in which the Coast Guard is operating, now the Secretary of Homeland Security, the authority to create, operate and expand VTSs and to make participation mandatory for certain vessels. AWO will continue to monitor federal regulations on vessel traffic to ensure they effectively promote vessel safety and do not hinder maritime commerce. For more information on this final rule, please contact Kevin Dowling at (703) 841-9300, extension 264, or [kdowling@vesselalliance.com](mailto:kdowling@vesselalliance.com).

## Benefits of Snake River Barging Continue to Grow

In response to an August 17 *Seattle Times* article questioning the necessity of barge operations on the Snake River, the Pacific Northwest Waterways Association circulated the press release at right which repudiates claims made in the story and contains supporting quotes from AWO and members Shaver Transportation Company and Tidewater Barge Lines.

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Barging is in the news, and the timing is predictable. For the first time in eight years, the U.S. Army Corps of Engineers is proposing routine maintenance dredging of a small quantity of sand to ensure continued safe navigation in a federally authorized channel. This shouldn't be news, and it shouldn't be controversial, except that the navigation channel in question is near the Snake River dams. This little bit of geography guarantees costly litigation, newspaper headlines, fundraising, rallies, and delay, and this time is no different.

Dam breaching advocates continue to claim that barging on the Lower Snake is drying up in recent years, and can easily be replaced by rail. Their analysis is fatally flawed and wrong. They selectively developed their numbers, and ignored the fact that the river was shut down for four months in 2010 and 2011 to make repairs and other investments in the future reliability of the system. They failed to acknowledge that 2009 wheat exports were low across the country, not just in our region. They ignored the worldwide recession that has depressed shipping numbers globally, including here at home.

Research commissioned by the Pacific Northwest Waterways Association indicates that freight traffic on the Lower Snake is rising and currently trending toward pre-recession levels.

Indeed, we are expecting improved numbers for 2012 and 2013. David Doeringsfeld, Executive Director of the Port of Lewiston, reports, "The Port is experiencing a strong increase in container volumes as the U.S. economy improves. Container volumes increased 28% in 2012 and are up 41% through June 2013. Construction of a \$2.9 million container dock extension is underway to accommodate projected container and break bulk cargo growth."

Other facilities are seeing similar increases in activity. "Grain traffic continues to grow on the Lower Snake River," states Arvid Lyons, General Manager of Lewis-Clark Terminal Inc. which operates large grain elevators in Lewiston, Idaho and Clarkston, Washington. "Lewis-Clark Terminals has handled 130% of our 10 year average in each of the last 3 years, so for us the river is getting used more now than in the past. The efficiencies and economics of barging just can't be beat."

Dam breaching advocates have also claimed that dredging costs outweigh the benefits of barging, and that barging is subsidized. Unfortunately, they have based their claims on flawed studies of the benefits and costs of dredging. Our economic analysis proves that the benefits of dredging exceed the costs by at least \$5.5 million annually, even when just accounting for the benefits to wheat shipments alone, a major crop in the Northwest. The dam breaching advocates don't use the correct cost of the dredging, they don't use accurate tonnage numbers, and they don't account for employment, cruise boat calls, and a multitude of other economic benefits.

"It's clear that anti-dam groups are simply seizing on this issue to continue their tired drum beat for removal of the

Snake dams," said Terry Flores, Executive Director of NW RiverPartners. "Fortunately, Northwest citizens aren't buying it. Recent independent opinion polling by DHM Research, Portland Oregon, shows strong public support for the dams, and the clean renewable power, irrigation, flood control, commerce and other benefits they provide."

Washington businesses understand the importance of barging and continue to be supportive. "We believe that safe navigation of the Snake-Columbia River is essential," said Don C Brunell, President of the Association of Washington Business. "Ongoing dredging, as with lock maintenance, is needed to insure that goods such as wheat, logs, wood chips, refined fuels and other products move up and down the rivers unimpeded."

"Barges can carry more freight per gallon of fuel usage than other modes, making it the most efficient and environmentally sensitive type of freight transportation," said Robert Curcio, President of Tidewater Barge Lines. "The Columbia Snake River System is the top wheat export gateway in the nation and maintaining the viability of our river transportation system is imperative. For those with access to the river, our river system plays a major role in ensuring that our country's farmers and manufacturers have the ability to economically export their goods into the competitive international marketplace."

"As the Northwest continues to ship more commodities to the export markets, there is going to be even more of a demand for transportation routes through the Northwest in the future with new export projects currently in the development phase. That is a positive for barging as it will

*(continued on page 12)*

## Benefits of Snake River Barging Continue to Grow

*(continued from page 11)*

give us an opportunity to grow our business, hire more skilled labor, and move more product,” added Curcio.

Recent investments made by the federal government in the navigation system have been followed by growth in private industry. Rob Rich, Vice President of Marine Services for Shaver Transportation explains “As a family owned, 133 year old company, Shaver Transportation Company is careful and measured in its business decisions. That is why we have invested over \$7 million in new grain barges this year – the first since our purchase of two grain barges in 2002. We have seen many private investments in barge handling facilities both in the upper Columbia and Snake Rivers. A balanced, competitive and responsive river transportation system is essential to our regional economy. That is why we continue to not only support, but invest in our vital river system.”


The dredging in question would happen during the winter “in-water work window” - the time of year biologists deem best for the fish. The sediment in question is so clean, it will be used downstream on the Snake near Knoxway Canyon to create resting and rearing habitat for juvenile salmon, primarily fall Chinook. Unlike most other navigation channels around the country, dredging is needed fairly infrequently on the Lower Snake River. Small parts of the navigation channel were dredged in 1999, and not again until 2006. The federal navigation channel has been maintenance-free for nearly eight years. The quantities proposed for removal are a fraction of what is dredged in other river systems across the nation.

Some groups have also claimed that barging can simply be replaced by

shipments by rail and truck. Kristin Meira, Executive Director of the Pacific Northwest Waterways Association states “We know that barging is good for the environment and for people. There are fewer spills associated with barging, and fewer accidents and fatalities. A typical 4-barge tow on the Columbia Snake River System is the equivalent of about 140 rail cars, or 538 trucks on the highway. We strongly support rail, trucking and barging - all three must be maintained and efficient for cargo to flow. Take away one entire mode, and there will be significant impacts to the other two.”

“Barging on the Snake River has long-established benefits to the Pacific Northwest and the nation as a whole,” said Charles Costanzo, Pacific Region

Vice President for the American Waterways Operators. “It’s the safest, most efficient and environmentally-sustainable means of moving vast amounts of cargo. We need navigation on the entire Columbia-Snake River System to be available and reliable. It’s a critical low-cost gateway that helps ensure economic vitality for the Northwest.”

The Columbia Snake River System is significant national waterway, and plays a big role in ensuring that our country’s farmers and manufacturers have the ability to export their goods in competitive international markets. The Columbia Snake River System is the top wheat export gateway in the nation, and second for soy. The System is also tops on the West Coast for wood exports and mineral bulk exports. 

### Atlantic Region

### Discussing the Importance of Water Infrastructure



While aboard a Vane Brothers Company tugboat in Port of New York-New Jersey, Brian Bennett, AWO, (right) discusses the importance of water infrastructure with Patrick Rheame and Erica Daughtrey from the offices of Rep. Yvette Clark and Rep. Albio Sires, respectively. See story, page 13.

Atlantic Region

## AWO and Vane Brothers Host New York Congressional Tugboat Harbor Tour

On August 19, The Vane Brothers Company hosted staff from the offices of Rep. Yvette Clarke (D-NY) and Rep. Albio Sires (D-NJ) for a tour of the Port of New York-New Jersey. John Bowie, The Vane Brothers Company, took the opportunity to discuss the importance of investing in America's water resources with the

Panama Canal expansion set to open in 2015.

The group also discussed that while the Port of New York-New Jersey is very near to completing a channel deepening project, it is critical that the Harbor Maintenance Trust Fund be reformed so that funding for necessary maintenance is available. Without

these investments, many Atlantic and Gulf Coast ports will not be competitive and the cost of exports and imports will rise.

For more information about these tours, contact John Harms at (703) 841-9300, extension 292, or [jharms@vesselalliance.com](mailto:jharms@vesselalliance.com)

Midcontinent Office

## Marathon Petroleum Hosts Rep. Thomas Massie at Kentucky Facility



On August 27, Fred Nyhuis, Marathon Petroleum Company, LP, hosted Rep. Thomas Massie (R-KY) at the company's marine operations facility in Catlettsburg, KY. The Congressman was given a tour of Marathon Petroleum's marine operations on the Ohio River, and discussed the need to include essential parts of the Inland Waterways Capital Development Plan in the Water Resources Development Act. Also discussed was the need for a national uniform vessel discharge standard and concerns that reduced O&M funding for the U.S. Army Corps of Engineers could lead to lock restrictions and interruption in the flow of essential goods.

Pictured from left to right: J.R. Reed, Field Director for Rep. Massie; Rep. Massie; and Marathon's Larry Madden and Chad Shamblin.

Midcontinent Office


## **AWO Hosts Third of Nine Midwest and Ohio Valley Region Congressional Towboat Tours**

*Continues Focus on Infrastructure, Vessel Discharges, and Jones Act*

On August 13 in Louisville, KY, AWO conducted a congressional towboat tour along the Ohio River, offering an education on the industry and highlighting the need to include all the components of the Inland Waterways Capital Development Plan in the forthcoming House version of the Water Resources Development Act. The group, which included staff from the U.S. House and Senate delegations from Indiana and Kentucky, also discussed the need to secure uniform vessel

discharge legislation, and the importance of the Jones Act. The towboat tours scheduled through September are designed to educate members of Congress and their staff about the tugboat, towboat and barge industry and discuss critical legislative issues.

AWO thanks American Commercial Lines, Inc. for providing the m/v Bob Stith for the Louisville tour, as well as the following congressional staff members in attendance: Whitney

Meadows, Field Representative, Sen. Rand Paul (R-KY); Erin Houchin, Southeast Indiana Regional Director, Sen. Dan Coats (R-IN); Hodge Patel, State Director, Sen. Joe Donnelly (D-IN); Suzanne Miles, Field Representative, Rep. Brett Guthrie (R-KY); Jasmine Weatherby, Congressional Aide, Rep. John Yarmouth (D-KY); and Melissa Acton, Deputy District Director, Rep. Todd Young (R-IN).



Grassroots advocacy in action: AWO and American Commercial Lines, Inc. hosted six congressional staff aboard the m/v Bob Stith on a recent tour of operations along the Ohio River.

Southern Region

## Southern Region Members Host Congressional Towboat Tours



Matt Holzhalb, E.N. Bisso, Capt. Daryl Wheeler, Canal Barge Company, Inc., Ben Billings, Office of Sen. Mary Landrieu (D-LA), Zach Butterworth, Office of Rep. Cedric Richmond (D-LA), and Capt. Scott Rabalais, E.N. Bisso, take a tour of the Mississippi River near New Orleans.

AWO and its member companies have hosted three congressional towboat tours since mid-July in the Southern Region. All of the tours provided an overview of industry operations and focused on key industry issues including the Jones Act, vessel discharges, and WRDA.

On August 21, Crescent Towing Company, Inc. hosted a grassroots tugboat ride in New Orleans for Eric Zulkosky, Legislative Director, Rep. Steve Scalise (R-LA). James Fowler,

Crescent Towing, and Chris Blanchard, Cooper/T. Smith Corporation, provided Mr. Zulkosky with a tour on the Mississippi River near the Port of New Orleans. On August 12, E.N. Bisso & Son, Inc., hosted Ben Billings, Senior Policy Advisor, Sen. Mary Landrieu (D-LA), and Zach Butterworth, Counsel, Rep. Cedric Richmond (D-LA). Matt Holzhalb of E.N. Bisso and Capt. Daryl Wheeler of Canal Barge Company, Inc., led the tour and discussions. On July 16, AWO Vice Chairman Frank Morton and Mario

Munoz of Turn Services, LLC gave Kyle Ruckert, Chief of Staff to Sen. David Vitter (R-LA), a tour that included a crew boat ride on the Mississippi River to the Algiers Lock. Beau Bethune, and Angie Fay, Blessey Marine Services, Inc., joined the grassroots visit and discussion.

For more information on the Southern Region towboat tours, please contact Mark Wright at (985) 674-3600 or [mwright@vesselalliance.com](mailto:mwright@vesselalliance.com).