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801 North Quincy Street, Suite 200, Arlington, Virginia 22203

VGP 2.0 Effective as of December 19

On December 19, the second iteration of the U.S. Environmental Protection Agency's Vessel General Permit became effective. AWO's Recommended Practice Guide, which attempts to clarify and add specificity to the requirements of the VGP to assist barge and towing vessel owners and operators with compliance, has been revised to reflect the new and modified requirements of the 2013 VGP.

As a reminder, vessels under 79 feet in length that do not discharge ballast water have been Congressionally exempted from the requirement to obtain permit coverage for their discharges until December 19, 2014. Vessels less than 79 feet that discharge ballast water are required to comply with the ballast water requirements of the VGP. AWO does not recommend seeking VGP coverage for vessels under 79 feet that have no ballast water discharges, even if you choose to align your discharge management practices with VGP requirements.

As reported in the November 14 issue of the *AWO Letter*, for those vessels that

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HIGHLIGHTS IN THIS ISSUE

VGP 2.0 Effective as of December 19..1

CTAC Working Group on LNG Meets...2

NMC Backlog Leads to Application Processing Delays; Member Feedback Requested......3

Don't Divert Missouri River Water, Missouri Governor Nixon Tells Kansas Governor Brownback......4

East Coast Wind Energy Projects Advance Through Regulatory Hurdles..4 require VGP coverage, if your vessel is over 300 gross tons or has 8 cubic meters (2,113 gallons) or more of ballast water capacity, you were required to submit an NOI by December 12 to secure continuous VGP coverage. Ballast water capacity is defined as the capacity of vessel tanks that are used to carry ballast water, so void tanks and wing tanks that are not used to carry ballast water do not count toward your vessel's ballast water capacity.

You were not required to submit an NOI if your vessel is 300 gross tons or less and

has less than 8 cubic meters of ballast water capacity. Instead, you can obtain VGP coverage by completing a copy of the PARI Form and keeping it on board your vessel in paper or electronic format. You do not need to submit the PARI Form to EPA.

Phone: (703) 841-9300

Fax: (703) 841-0389

For more information, please contact Jennifer Carpenter or Caitlyn Stewart at (703) 841-9300, extensions 260 or 262, respectively, or at

jcarpenter@vesselalliance.com or cstewart@vesselalliance.com.

Johnson Confirmed as DHS Secretary

On December 16, the U.S. Senate voted 78 to 16 to confirm Jeh C. Johnson as the nation's fourth Secretary of Homeland Security. A former general counsel to the Department of Defense and previously to the Air Force, Johnson will be sworn in before the Christmas holiday to head the Department with jurisdiction over a diverse range of 22 federal agencies, including the U.S. Coast Guard and the Transportation Security Administration.



Johnson won the support of all 55 Senate Democrats and a majority of Senate Republicans.

AWO President & CEO Tom Allegretti offered his congratulations to incoming Secretary Johnson in a December 20 statement, saying that "AWO has been a longstanding supporter of the Department's safety and security missions through our strong partnership with the Coast Guard and our collaboration with the Transportation Security Administration on a wide range of issues."

"We share the common goal with the Secretary of continued excellence in assuring the safe and secure movement of the nation's commerce up and down our rivers and along our coasts," Mr. Allegretti continued. "Our members very much look forward to working with Secretary Johnson and his staff and we wish him much success in his new role."

For more information, please contact Craig Montesano at (703) 841-9300, extension 297, or cmontesano@vesselalliance.com.

CTAC Working Group on LNG Meets

On December 11, the Chemical Transportation Advisory Committee subcommittee and working groups on Liquefied Natural Gas met at U.S. Coast Guard headquarters in Washington, DC. AWO members Campbell Transportation Company, Inc., Kirby Offshore Marine, LLC, Moran Towing Corporation, The Shearer Group, and AWO Government Affairs Associate Brian Bennett attended the meeting, which was held primarily for the Coast Guard to solicit industry feedback on:

- The use of CNG and LNG as a marine fuel:
- Design requirements for LNG bunker barges and other barges carrying LNG; and

 Procedures and training for fuel transfer operations on gas-fueled vessels.

The working group reviewed current domestic and international guidance to assist the Coast Guard in conducting a gap analysis to ensure a policy for LNG as fuel that is consistent with international standards. The group also discussed the contents of two policy letters relating to the carriage of LNG that will be issued early next year.

The first policy letter will specify design requirements for barges carrying LNG that are not subject to current regulations. The second policy letter will discuss special requirements for barges carrying LNG, redefining LNG barges from having to meet the

requirements for carriage of certain dangerous cargoes. Policies to construct safe and practical guidelines for personnel training were also discussed. The Coast Guard plans to issue formal guidance on these issues early next year.

The working group is still seeking additional industry input, and will meet again before issuing final recommendations to the Coast Guard. AWO members interested in participating in the working group should contact Brian Bennett at (703) 841-9300, extension 279, or bbennett@vesselalliance.com.

AWO Letter Transitioning to Exclusively Electronic Format

Attention, AWO Members and Friends:

Beginning with the January 13, 2014 issue, the *AWO Letter* will be delivered exclusively via e-mail. If you are currently receiving the newsletter in hard copy only, please be sure to provide AWO with a current e-mail address to continue receiving the *AWO Letter*. We look forward to continuing to provide this valuable service to you!

To update your contact information, or to ask any questions, please contact Ann McCulloch at (703) 841-9300, extension 252, or amcculloch@vesselalliance.com.

2014 AWO Letter Schedule

April 14	July 14	October 6
May 5	July 28	October 20
May 19	August 11	November 10
June 2	August 25	November 24
June 16	September 8	December 1
June 30	September 22	December 15
	May 5 May 19 June 2 June 16	May 5 May 19 July 28 May 19 August 11 June 2 August 25 June 16 September 8

CEMS Training Opportunities Available

The Crew Endurance
Management System is a system
for managing risk factors in
maritime work environments
that can lead to human error and
performance slumps. The U.S.
Coast Guard and AWO have
been working together to help
companies implement the
principles of CEMS. The
courses listed below are CEMS
coaches classes, which are
conducted by Salyers Solutions,
LLC.

February 19-20, 2014 Seaman's Church Institute Salyers Solutions, LLC Houston, TX (504) 236-4962

For questions on these courses, please contact Jo Ann Salyers at (504) 236-4962 or via email at joann@salyerssolutions.com.

NMC Backlog Leads to Application Processing Delays; Member Feedback Requested

The Coast Guard issued a

Marine Safety Information

Bulletin extending the

December 31, 2013 for

credentials set to expire

between October 1 and

expiration date until

November 30

AWO has confirmed with the U.S. Coast Guard's National Maritime Center that it is currently working through a backlog of mariner credential applications that accrued

during the government shutdown in October. The NMC advises that application processing times have increased from an average of two weeks per application before the shutdown began on October 1 to an average of three weeks per application since the government reopened on October 16. (The NMC did not process applications while the government was closed.) The NMC has assured AWO that it is working to reduce its processing times, but it is not clear when system efficiency will again reach pre-shutdown levels.

In order to assist currently credentialed mariners affected by the shutdown, on October 9 the Coast Guard issued a Marine Safety Information Bulletin extending the expiration date until December 31, 2013 for credentials set to expire between October 1 and November 30. Mariners traveling on international routes were granted a new credential, also with a December 31, 2013 expiration date.

AWO applauded this policy as a prudent use of Coast

Guard authority to extend the validity of credentials and avoid undue hardship to mariners and their employers. However, the policy does not address individuals seeking new credentials, or individuals whose current credentials expired shortly after November 30.

AWO is committed to working closely with the Coast Guard to ensure that mariner applications are processed in a

timely way so that individuals do not miss work as they wait for the NMC to review their credential application. If you have mariners who have been waiting for more than three weeks to receive a credential, or if you have any other feedback you would like to give on the NMC's application processing since the government reopened, please contact Brian Vahey at (703) 841-9300, extension 251, or byahey@vesselalliance.com.

AWO PAC Event – Save the Date

AWO PAC GOLF TOURNAMENT

Lakewood Country Club
Tuesday, January 14 | 12:00 p.m.

For more information, please contact Mark Wright at (985) 674-3600 or mwright@vesselalliance.com or Frank Leach at (703) 841-9300, extension 254, or fleach@vesselalliance.com.



Contributions are not deductible for Federal income tax purposes. Contributions from corporations or foreign nationals are prohibited. Contributions to AWO PAC are voluntary and are used for political purposes. Any amount recommended is merely a guideline and you may contribute more or less than the suggested amount. AWO and any AWO member company will not favor or disadvantage anyone by reason of the amount of their contribution, or their decision not to contribute. You may refuse to contribute without reprisal. Federal law requires AWO PAC to request and report the name, home address, occupation and employer for each person whose contributions exceed two hundred dollars (\$200.00) or more in a calendar year.

Midcontinent Office

Don't Divert Missouri River Water, Missouri Governor Nixon Tells Kansas Governor Brownback

On November 21, Missouri Governor Jay Nixon sent a letter (page 5) to Kansas Governor Sam Brownback urging him to direct the Kansas Water Office to reconsider a study that would assess the feasibility of constructing an aqueduct to divert four million acre-feet of water from the Missouri River to western Kansas. Gov. Nixon argues that the "unilateral" diversion of water from the Missouri River and its authorized uses would be damaging to Missouri agricultural producers and shippers, among others.

For more information, please see the related story in the Members Only section of the *AWO Letter* or contact Lynn Muench at (314) 446-6474 or lmuench@vesselalliance.com.



Atlantic Region

East Coast Wind Energy Projects Advance Through Regulatory Hurdles

Offshore wind energy projects off the coasts of Virginia, Maryland and Massachusetts are moving forward in the federal approval process as state and federal regulators, along with utility companies and investors, eagerly push for wind energy development on the East Coast.

On December 9, the Bureau of Ocean Energy Management issued a determination of no competitive interest regarding an experimental wind energy pilot project proposed by the Virginia Department of Mines, Minerals and Energy. The Commonwealth of Virginia will now develop a twelve-megawatt test turbine to be used as a demonstration project and for data collection. The design of the project and an environmental impact statement are still required before construction of the testing facility can begin. The experimental station will be adjacent to the wind energy area 25 miles off Virginia Beach that was leased by Dominion Power in a BOEM-held auction earlier this year. A map of the proposed area

can be viewed <u>here</u>. Full scale development is not expected for another five or six years.

On December 16, the Department of the Interior announced plans to auction off two wind energy areas off the Maryland coast. Subject first to another round of public comment, the Maryland wind energy area will cover nearly 80,000 acres but will be split into two leasing areas to be auctioned off separately. The State of Maryland, led by Governor Martin O'Malley, passed legislation earlier this year requiring in-state utilities to generate at least 2.5 percent of their electricity from offshore wind power by 2017. It is unlikely that wind development off the Maryland coast will be completed in time to reach this statutory deadline. The auction is expected to take place in mid to late 2014, with eventual construction beginning at least four to six years later. A map of the proposed wind energy area can be viewed here.

Though the push for wind energy development on the Atlantic Coast is gaining momentum, the only

development close to actual construction remains the Cape Wind project off the coast of Nantucket in Massachusetts. The project's turbine supplier announced on December 17 that it will take advantage of a wind energy construction tax credit—at a value of about \$780 million—before it expires at the end of the year. Cape Wind is still tied up in litigation stemming from the opposition of local residents but has achieved full federal approval to move ahead with construction, the first and only offshore wind project to do so in United States history.

AWO continues to work with partners across the maritime sector and the U.S. Coast Guard to ensure that any development of offshore wind farms does not alter or disrupt pre-existing vessel routes or threaten vessel safety. For more information, please contact John Harms or Kevin Dowling at (703) 841-9300, extensions 292 and 264 respectively, or via email at jharms@vesselalliance.com or kdowling@vesselalliance.com.

Midcontinent Office

Don't Divert Missouri River Water, Missouri Governor Nixon Tells Kansas Governor Brownback



GOVERNOR OF MISSOURI

Jefferson City 65102

November 21, 2013

P.O. Box 720 (573) 751-3222

The Honorable Sam Brownback Governor 300 SW 10th Avenue, Suite 2128 Topeka, KS 66612-1590

Dear Governor Brownback:

JEREMIAH W. (JAY) NIXON

I have been made aware of the Kansas Water Office's intention to commence a study regarding the feasibility of constructing an aqueduct to divert 4 million acre feet of Missouri River water to Western Kansas. Even assuming that such a project would be financially feasible, such a diversion would adversely impact Missouri. I am opposed to this diversion, and therefore request that you direct the Kansas Water Office to reconsider the planned study of this ill-advised project.

The Missouri River is a resource that is vital to Missouri's way of life and our economy. From supplying drinking water supply to our communities to bringing agricultural and other goods to markets throughout the world, the River is the lifeblood of numerous Missouri communities. We have worked for many years, and fought many legal battles, to ensure that the River is managed properly. Thoughtful and reasoned discussion and cooperation, rather than unilateral plans for massive diversions, must be the guiding forces in planning for the River's use.

Proponents of this diversion suggest that it would not impact downriver users, citing past years in which flooding along the River has occurred. There have certainly been years in which Missourians have suffered the effects of floods, both naturally occurring and induced by the U.S. Army Corps of Engineer's unnecessary and unjustified "spring rise" and other mismanagement, most recently in 2011. But there have also been years, like 2012, in which crippling drought has threatened drinking water supplies for Missouri communities and hampered the ability of Missouri agricultural producers and shippers feed, fuel, and clothe the world.

Both of our states would benefit from a more global discussion of the future use of the Missouri River, particularly in relation to the River's use – and misuse – in upriver states. I would welcome the opportunity to visit with you in this regard. In the meantime, however, neither of our states is well-served by the approach exemplified by this project.

Jeremiah W. (Jay) Nixon

Governor

Sincerely,

Atlantic Region

Vessel Speed Restrictions to Protect Endangered Right Whales Made Permanent

A federal regulation that restricts vessel speeds in certain areas where endangered right whales feed, mate, or migrate has been made permanent. Enacted as a final rule in 2008, the regulation was set to expire on December 9, 2013. It requires vessels over 65 feet in length to reduce speeds to ten knots or less in specific areas of right whale habitat on a seasonal basis. These areas include:

- Portions of Cape Cod Bay, January 1 May 15;
- Waters off of Race Point, MA, March 1 April 30;
- Waters in and around the Great South Channel, east of Cape Cod, April 1 – July 31;
- Significant portions of Block Island Sound, November 1 April 30;
- An area 20 nautical miles from shore between Wilmington, NC and Brunswick, GA, November 1 through April 30;
- Portions of the south Georgia and northeast Florida coasts, November 1 through April 30;
- Areas in and around the entrances to the ports of New York/New Jersey, Morehead City and Beaufort, NC – November 1 through April 30; and
- Entrances to the Chesapeake and Delaware Bays November 1 – April 30.

Exceptions to the speed restrictions are permitted if they are essential to navigational safety, but reasons must be noted in the vessel log.

The NOAA fisheries service also establishes on an ad hoc basis voluntary Dynamic Management Areas, where vessels are encouraged but not required to maintain speeds of 10 knots or less if right whale populations are determined to be in the area. All of the above seasonal speed restriction areas are noted on NOAA-issued electronic nautical charts, and a compliance guide outlining all the areas can be viewed here.

For more information on this issue, please contact Kevin Dowling at (703) 841-9300, extension 264 or kdowling@vesselalliance.com.

Pacific Region

AWO Urges WA DNR to Allow Mooring Buoy to Remain in Port Madison Bay

Well-maintained Buoy Important for Safety of Operations, AWO Argues

On December 12, AWO submitted <u>comments</u> to the Washington State Department of Natural Resources urging the state not to remove the mooring buoy in Port



Madison Bay in Puget Sound. AWO's comments were submitted in response to a petition requesting that the moorage be discontinued because it interfered with a homeowner's waterfront view. The buoy has been in place for decades and is used by several AWO member companies operating into Alaska.

In its comments, AWO stressed the safety of the mooring buoy. "It is an important and safe mooring location as the buoy is well maintained, located away from major traffic lanes, and protected from high winds and high seas on Puget Sound during the winter months," wrote Charles Costanzo, AWO Vice President – Pacific Region. "There are very few other buoys located in the Seattle area that provide the same level of safe mooring for barge operations."

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

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.