The American Waterways Operators

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Executive Vice President & Chief Operating Officer

January 8, 2016

CAPT Joseph Loring
Chief, Office of Incident Management and Preparedness
U.S. Coast Guard
2701 Martin Luther King Jr. Avenue, SE
Washington, DC 20593

Dear CAPT Loring:

In follow-up to our December 18 discussion, I am writing to request that the Coast Guard re-approve, for a period of two years, the AWO Alternative Planning Criterion for emergency towing services under the salvage and marine firefighting regulations for applicable tank and non-tank vessels at 33 CFR 155.4030(a).

In support of this request, attached please find a description of the APC and the rationale behind it, as well as a list of towing companies that have indicated their willingness to provide emergency towing services as described in the APC. AWO has obtained and previously provided the Coast Guard with letters of agreement from each of these companies. We will continue to update this list on an ongoing basis and will be pleased to make it available to the Coast Guard upon request.

AWO appreciates the Coast Guard's commitment at our December meeting not to require as a condition of APC re-approval that AWO members continue to conduct an annual point-in-time snapshot of towing vessel positions on the waters covered by the APC. The four snapshots that AWO members conducted from 2010 to 2013, which are attached to the APC as supporting materials, have remained remarkably consistent from year to year, providing strong evidence that sufficient density of towing vessel traffic exists to support the APC.

AWO will request continue to request input annually from members on their experiences exercising and activating the APC and will share any significant lessons learned with the Coast Guard.

Thank you for your consideration. Please feel free to contact Caitlyn Stewart at (703) 841-9300, extension 262, or cstewart@americanwaterways.com, or me if you have any questions.

Sincerely,

Jennifer A. Carpenter

Jennifer A. Carpenter

EMERGENCY TOWING ALTERNATIVE PLANNING CRITERION

BACKGROUND

For decades, inland towing vessel operators have consistently and effectively relied on the assistance of others in the industry in responding to collisions, groundings, loss of steering or power, barge breakaways and other vessel emergencies, whether or not resulting in, or threatening to result in, an unauthorized discharge of oil or a hazardous substance. The density of towing vessel operations throughout the inland waterways, combined with a longstanding "there but for good fortune go I" attitude in the industry, has fostered this successful, mutual assistance approach to emergency response.

The result of this industry-wide cooperative approach is that requests for such assistance from other towing vessel operators, even competitors, are met with prompt and reasonable responses. Rarely is any remuneration demanded or expected. Rarely is more than the most reasonable contractual protection against additional liability required. While some sectors exhibit a more adversarial approach to others in peril, the inland towing industry retains what may be considered an old fashioned, collegial approach that recognizes the common operating risks that all of its members face.

REGULATORY PLANNING CRITERION

33 CFR 155.4030(a) (Salvage and Marine Firefighting Requirements to List in Response Plans) requires tank and non-tank vessel response plan holders to "identify, in the geographical-specific appendices of your VRP, the salvage and marine firefighting services listed in Table 155.4030(b) – Salvage and Marine Firefighting Services and Response Timeframes." The timeframe for emergency towing services is 12 hours. In addition, 33 CFR 155.4030(e) requires that: "Your VRP must identify towing vessels with the proper characteristics, horsepower, and bollard pull to tow your vessel(s). These towing vessels must be capable of operating in environments where the winds are up to 40 knots." These requirements apply to tank barges and towing vessels over 400 gross tons carrying oil as fuel.

PROPOSED ALTERNATIVE PLANNING CRITERION

The American Waterways Operators (AWO) proposes that the Coast Guard accept, for the reasons stated herein, the following as an Alternative Planning Criterion to the emergency towing planning criterion set forth in 33 CFR 155.4030, with respect to the COTP zones in the Eighth Coast Guard District (and those limited portions of the Ninth Coast Guard District encompassing the Illinois River, the port of Chicago, and the limited Great Lakes route between Chicago and Burns Harbor/Whiting, Indiana, commonly added to inland tank barge Certificates of Inspection):

1. That an inland towing vessel of 800 horsepower meets the characteristics, horsepower, and 40 knot wind criteria as an emergency towing vessel to respond to the largest inland tank barges, both fully laden and unladen, and an inland towing vessel over 400 GRT.

2. That all inland tank barges and towing vessels over 400 GRT operating within the Eighth Coast Guard District, and specified areas of the Ninth Coast Guard District, will, in the event of an emergency, be responded to within required time frames by towing vessels, as described in paragraph (1) above, operating in the vicinity, under the towing industry's longstanding practice of mutual assistance, which practice offers an equivalent level of safety and emergency preparedness to the regulatory planning criterion.

There are no towing vessels stationed on the inland waterways (or in coastal areas, for that matter) with a primary (or secondary) purpose of emergency towing response. That infrastructure does not exist. Nor is it possible to create such a capability in the reasonably near future, given limited U.S. shipbuilding capacity. However, the density of inland towing vessel operations within COTP zones in the Eighth Coast Guard District, and specified areas of the Ninth Coast Guard District, is sufficient to ensure availability of emergency towing vessels to respond on a mutual assistance basis. The attached maps depicting point-in-time snapshots of towing vessels operating along inland transportation routes (and capable of providing assistance to tank barges or towing vessels over 400 GRT in the event of a casualty giving rise to the need for emergency towing services) support this assertion.

The emergency towing requirements of 33 CFR 155.4030 were clearly written without an understanding of inland tank barge and towing vessel operations. The response planning requirements of 33 CFR Part 155 are for individual tank barges and non-tank vessels over 400 GRT. Accordingly, the requirements of 33 CFR 155.4030(e) as applied to inland tank barges and towing vessels over 400 GRT are inappropriate. An inland towing vessel of at least 800 horsepower (the smallest towing vessel in routine service on the inland waterways) is capable of pushing the largest inland tank barge (approximately 35,000 barrels), loaded with cargo, or assisting a towing vessel over 400 GRT. Inland towing vessels do not pull, but rather push, the barges that they tow. Accordingly, a requirement for bollard pull is not relevant to inland emergency towing vessels, which are not even equipped with towing bitts or towing winches for pulling. Finally, inland towing vessels are capable of operation without regard to wind velocity.

Although not expressly required in 33 CFR 155.4030(e), the preamble to the salvage and firefighting final rule states that plan holders must list emergency towing vessels by name. Such a requirement for inland tank barge and towing vessel response planning is inappropriate for several reasons. Inland towing vessels routinely operate in multiple COTP zones, and the scope of operation in those zones may vary over time depending upon the requirements of cargo owners shipping cargo by barge(s) in tow of the towing vessel. The same is true of inland tank barges. Because of the mobility of towing vessels and tank barges across the inland waterway system, listing the towing vessels capable of responding within a given COTP zone is shooting at a moving target. This mobility is at the heart of the mutual assistance approach to emergency towing that has served the inland tank barge and towing industry very well for many years. In addition, given the large number of vessels operating across COTP zones in the Eighth Coast Guard District and the number of those COTP zones across which most tank barges and towing vessels over 400 GRT operate, a formal listing requirement adds little value to the applicable Vessel Response Plan, while the updating and maintenance of such a list in each of the Plan's geographic-specific appendices would create an unreasonable administrative burden. Coupling that burden with the 30-day advance submittal requirements of 33 CFR 155.1070 would, as a

practical matter, make it impossible for inland tank barge and towing vessel operators to both serve their customers' requirements and be compliant.

USE OF THE ALTERNATIVE PLANNING CRITERION

AWO proposes that a member company wishing to use the Alternative Planning Criterion (APC) described herein note in its vessel response plan that it intends to use the Coast Guard-approved AWO APC to meet the requirements of 33 CFR 155.4030 for emergency towing services. (A current list of AWO members may be found on AWO's website at www.americanwaterways.com.) Inclusion of such a provision in the vessel response plan constitutes the company's commitment to:

1. Promptly notify and seek assistance from other towing vessels/companies in the event of an incident triggering the need for emergency towing services under the vessel response plan.

    a. Typically, radio calls for assistance would be made by personnel on board the towing vessel attending the tank barge or the towing vessel covered by the NTVRP requirements to other towing vessels in the vicinity and/or to nearby terminals, facilities and barge fleeting areas with towing vessels potentially available.

    b. As needed, the spill management team managing implementation of the vessel response plan (required under 33 CFR Part 155 in the event of an incident giving rise to activation of the response plan) could assist personnel on board the towing vessel in implementing the APC by: contacting the owners of towing vessels known to be in the vicinity of the affected tank barge or towing vessel, based on input from the towing vessel; contacting the owners of towing vessels at terminals, facilities and barge fleeting operations in the vicinity of the affected tank barge or towing vessel, based on readily available industry information sources, such as the *Inland River Guide*; contacting the owners of towing vessels in the vicinity of the affected tank barge or towing vessel based on AIS-based information available through widely used subscriptions to services such as Ship Tracks and PortVision; and, contacting the owners of towing vessels that routinely operate on the waterway on which the affected vessel is located, based on common industry knowledge of those operations, to determine if those owners have towing vessels operating on the waterway.

    c. When a towing vessel capable of providing emergency towing service has been located, the vessel response plan holder will obtain from the towing vessel operator an estimated time of arrival (ETA) at the incident site. The plan holder will provide this ETA to the cognizant Coast Guard Captain of the Port.

2. Respond to a request for assistance from another vessel response plan holder to provide emergency towing services in accordance with this Alternative Planning Criterion,

provided that the company has a towing vessel that is reasonable available in the vicinity of the stricken tank barge or towing vessel to do so.

3. While awaiting the arrival on scene of the towing vessel providing emergency towing services, provided that it can safely do so, the towing vessel attending an affected tank barge will push the affected tank barge to the nearest bank of the waterway and, to the extent possible, stabilize and secure the barge by mooring to an available structure and/or soft grounding, taking reasonably necessary precautions to avoid causing additional damage to the barge or exacerbating the discharge or threat of discharge.

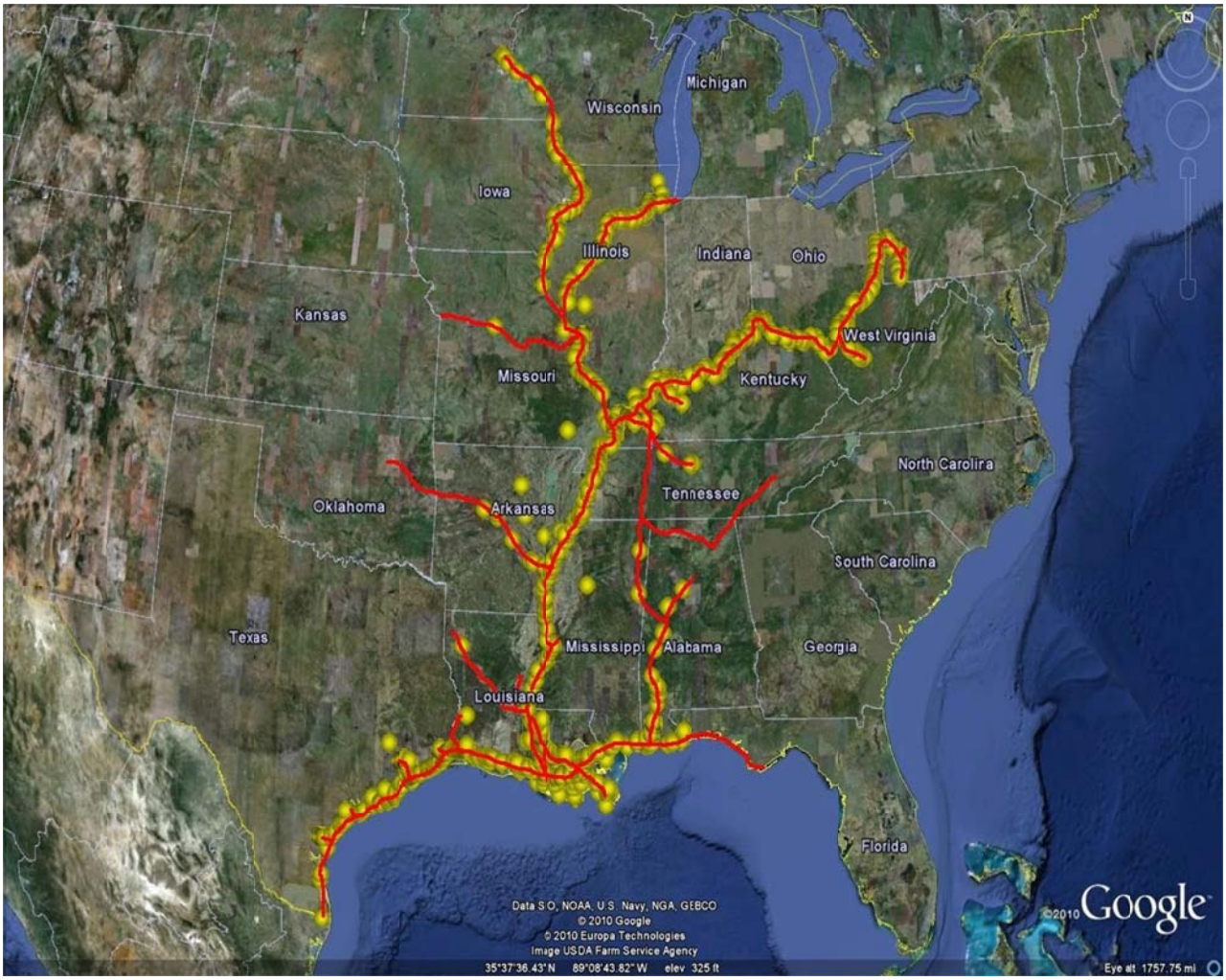
These actions are consistent with longstanding towing industry practice on the inland waterways and with the responsibilities of vessel operators under the Inland Navigation Rules, the Bridge-to-Bridge Radiotelephone Act (33 CFR Part 26), and the vessel response plan regulations at 33 CFR Part 155. The Bridge-to-Bridge Act requires all vessels to monitor and maintain VHF Channel 16 as their emergency communications channel; Rule 2 of the Inland Navigation Rules addresses the responsibilities of good seamanship when encountering another vessel in distress; and Rule 37 requires vessels to send distress signals at stated intervals when other communications methods are not available due to the vessel's location.

APC REVIEW AND UPDATE PROCEDURES

Attached to this APC proposal is a listing of inland towing companies who have indicated their willingness to provide emergency towing services as described herein. AWO has obtained and has previously provided the Coast Guard with letters of agreement from each of these companies. AWO will update this list on an ongoing basis (e.g., to reflect changes in company names due to mergers and acquisitions, the addition or deletion of companies to/from the list, etc.) and provide an updated list to the VRP program upon request.

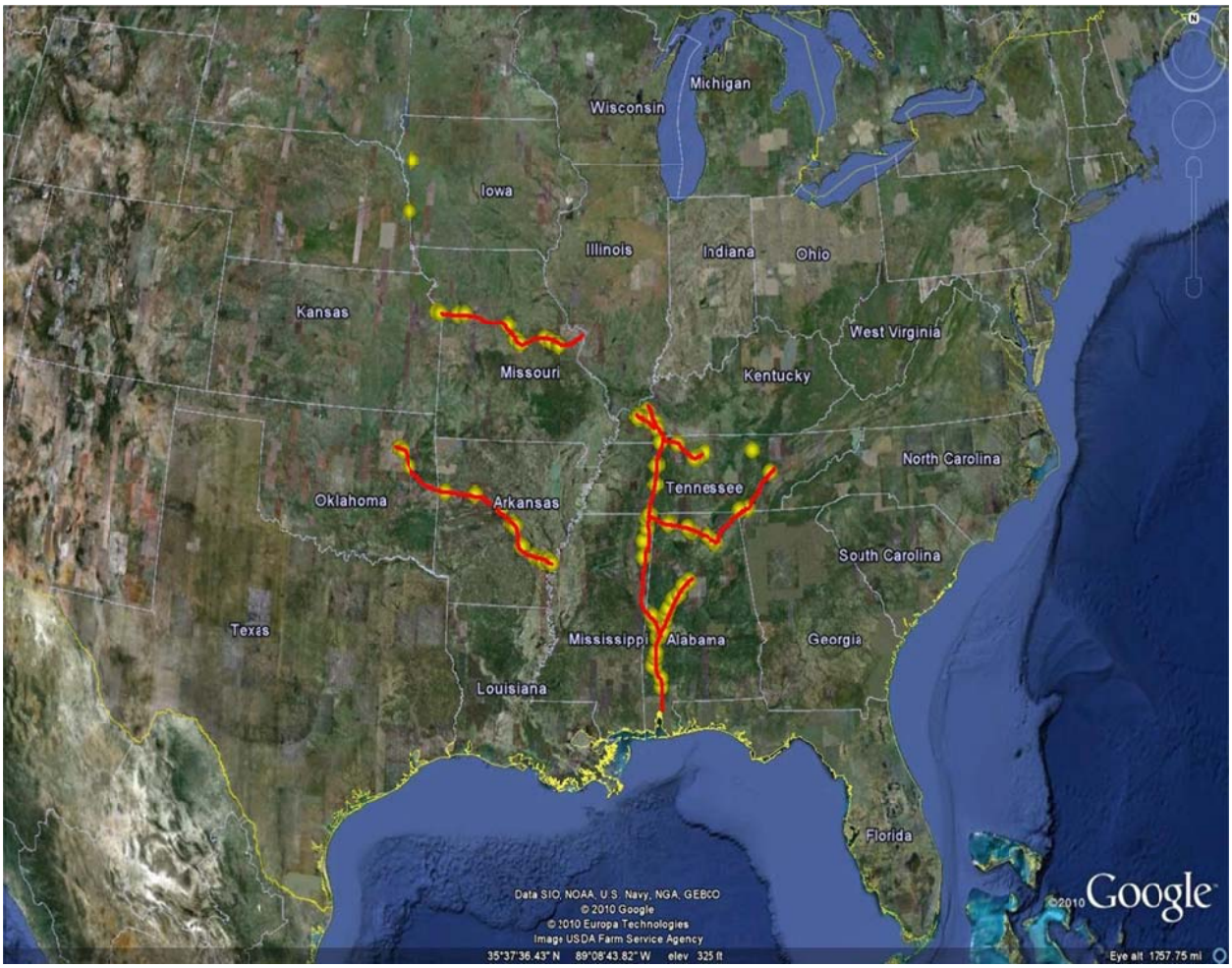
At the end of the period for which Coast Guard approval of the APC is granted, AWO will review the APC in concert with the Coast Guard to discuss lessons learned and identify any changes or improvements needed before submitting the APC for re-approval.

TOWING VESSEL POSITION SNAPSHOT
SEPTEMBER 15, 2010



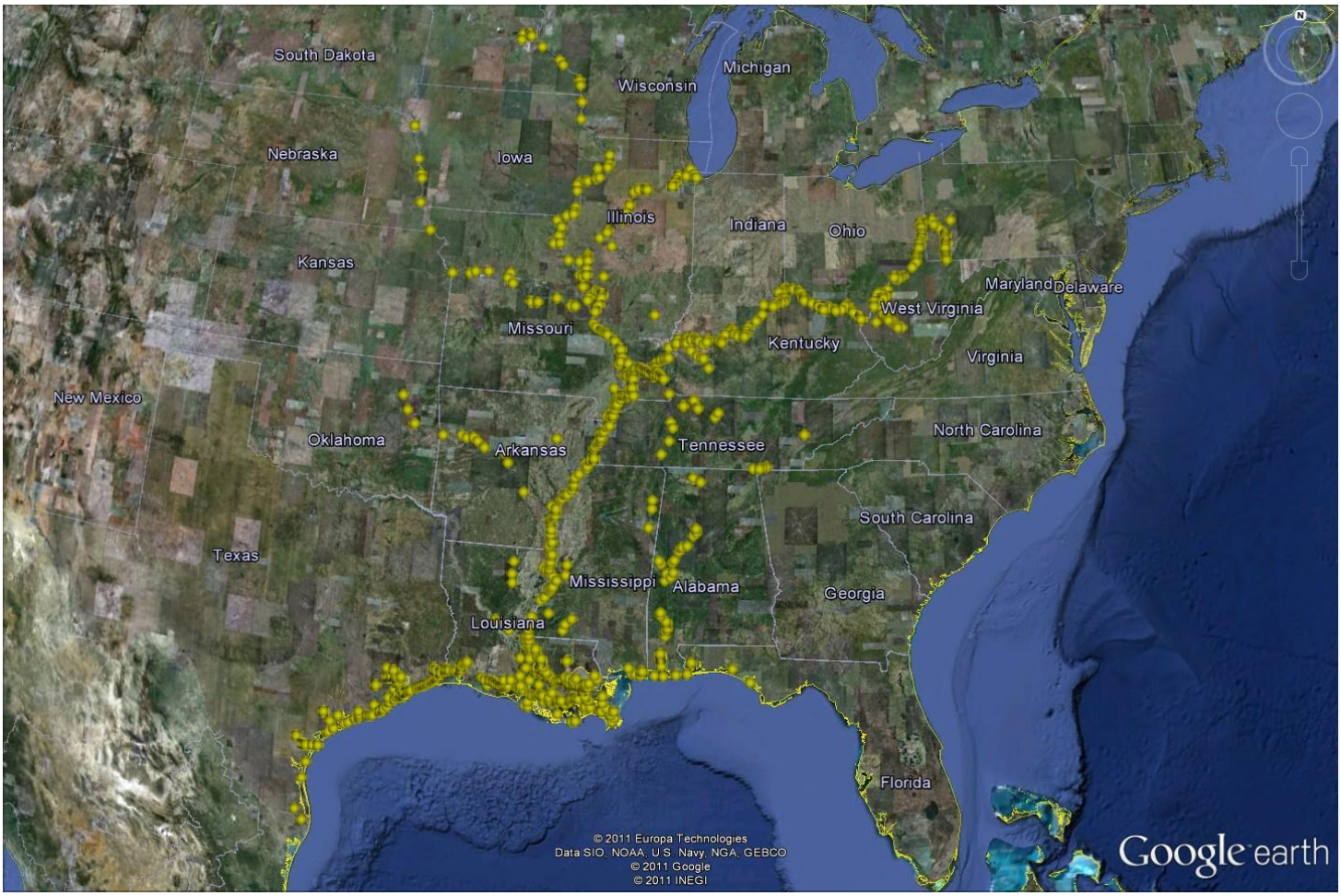
TOWING VESSEL POSITION SNAPSHOT
OCTOBER 08, 2010

TENNESSEE RIVER, CUMBERLAND RIVER, TENNESSEE-TOMBIGBEE WATERWAY, ARKANSAS RIVER AND MISSOURI RIVER



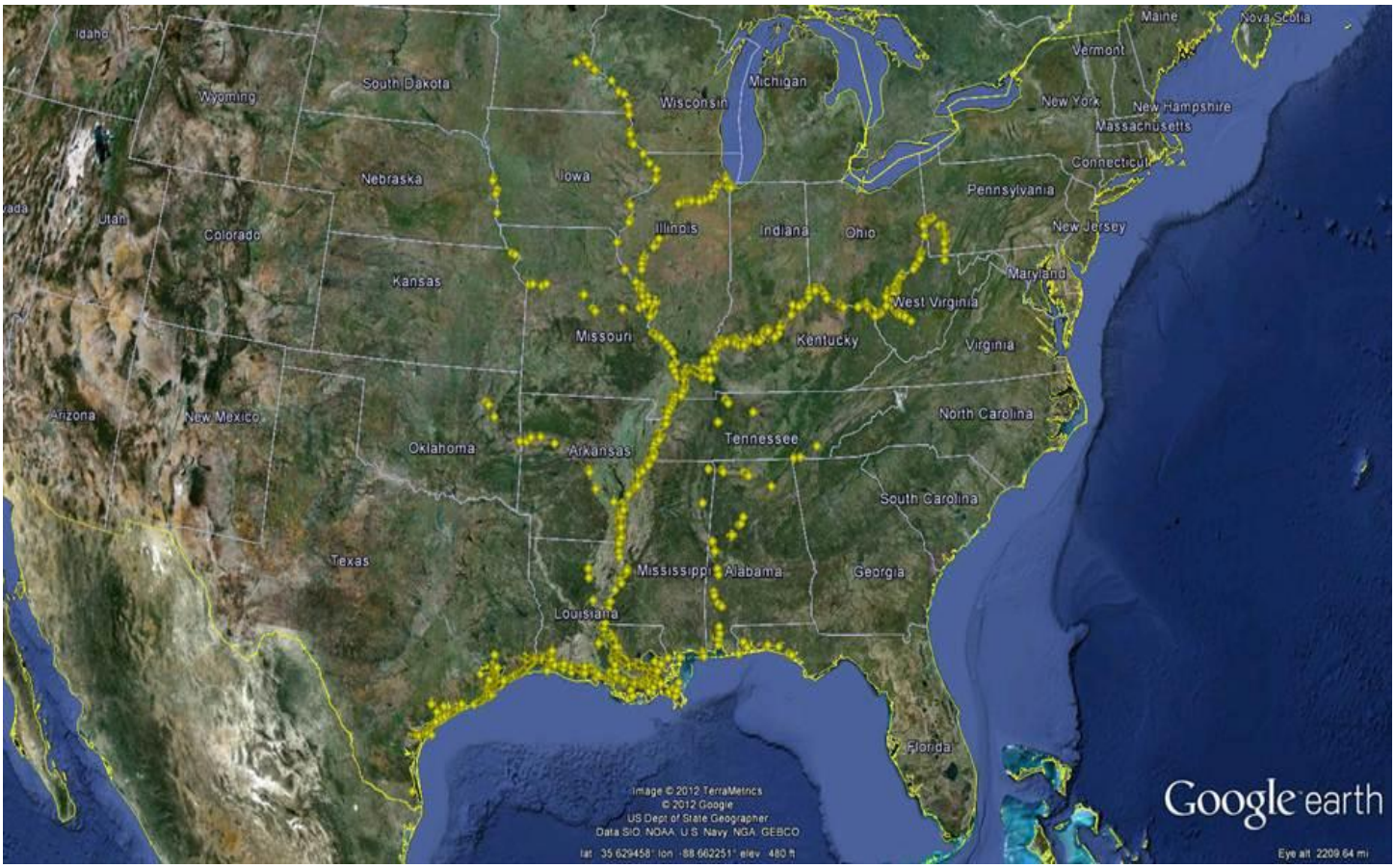
Towing Vessel Position Snapshot

October 14, 2011



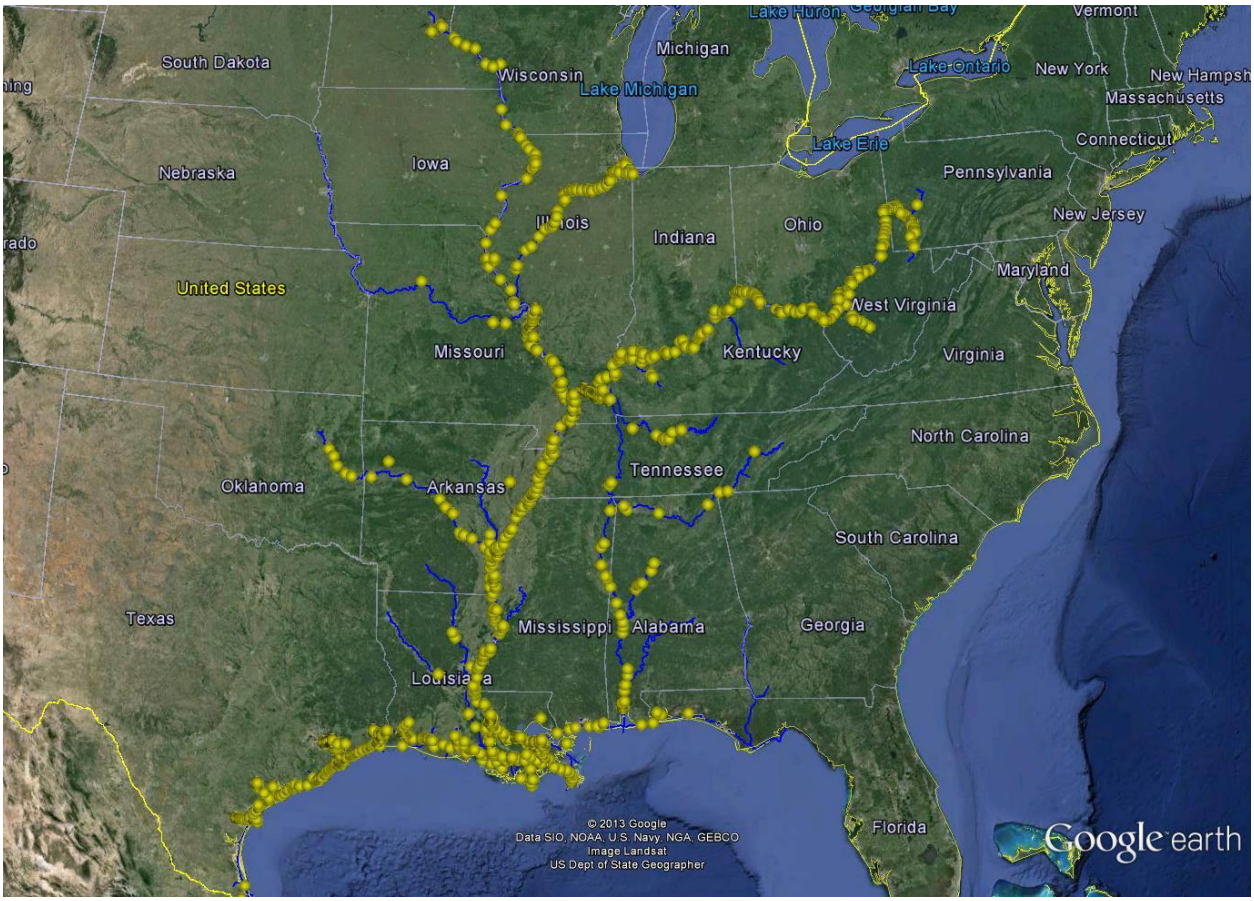
Towing Vessel Position Snapshot

October 23, 2012



Towing Vessel Position Snapshot

October 29, 2013



AEP River Operations

American Commercial Barge Line, Inc.

American River Transportation Company

Amherst Madison, Inc.

Bayou Fleet, Inc.

Blessey Marine Services, Inc.

Boone Towing, Inc.

Buffalo Marine Services, Inc.

C & B Marine

C & J Marine Services, Inc.

Callais & Sons LLC

Campbell Transportation Company, Inc.

Canal Barge Company, Inc.

Chem Carriers, LLC

C.L.M. Towing, LLC

Crounse Corporation

D & S Marine Service

DeLoach Marine Services

Devall Towing & Boat Service, Inc.

Echo Marine, Ltd.

Echo Towing Service Inc.

Enterprise Marine Services, LLC

Florida Marine Transporters, Inc.

Genesis Marine LLC

Golding Barge Line, Inc.

Hard's Marine Service Ltd.

Helena Marine Service, Inc.

Higman Marine Services, Inc.

Horace Savoie Towing, Inc.

Hunter Marine

Illinois Marine Towing, Inc.

Ingram Barge Company

Inland Marine Service Intergulf Corporation

James Transportation LLC, d/b/a Tennessee Valley Towing

JANTRAN, Inc.

JB Marine Service, Inc.

Kindra Lake Towing, LP

Kirby Corporation

Le Beouf Bros. Towing, LLC

Lorris G. Towing Corporation

Luhr Bros., Inc.

Magnolia Fleet, LLC

Magnolia Marine Transport Company

Marathon Petroleum Company LP

Marine Fueling Service, Inc.

Marquette Transportation Company, Inc.

Martin Marine

McDonough Marine Service

McNational, Inc.
Murray American Transportation, Inc.

Osage Marine Services Inc.

Parker Towing Company, Inc.

Progressive Barge Line, Inc.

River Marine Enterprises, LLC

Rodgers Marine Towing Service, Ltd.

Russo Marine LLC

S & W Marine, Inc.

SCF Waxler Marine LLC

San Jacinto Towing, Inc.

Serodino, Inc.

Settoon Towing, LLC

Turn Services, LLC

Upper River Services

Vidalia Dock & Storage Co., Inc.

Wepfer Marine, Inc.