



ADMINISTRATOR'S
COLUMN



Collister
Johnson, Jr.

*An Historic Day: The
U.S. Coast Guard Issues
Final Ballast Water
Discharge Rule*

March 23 — Probably the most important event in American history to occur on that date was Patrick Henry's famous "Give me Liberty, or give me Death!" speech in 1775. While maybe not quite as dramatic, an event equally historic

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Seaway 2012 Opening and Outlook

The 2012 St. Lawrence Seaway navigation season officially got underway March 22 at the Welland /mnbv Canal when the McKeil Marine Limited tug and barge unit *Alouette Spirit* and *Wilf Seymour* headed downbound through Lock 3.

Senior marine and business executives along with St. Catharines, Ontario's mayor gathered for the annual spring ritual. The binational waterway's opening offered a forum for expressing the importance of this waterway to the region, Canada and the United States, and for connecting globally to world markets. Speakers expressed optimism about the new season and honored historical tradition in bestowing the Top Hat to the first ship captain entering the Lakes — Capt. Rob Dominaux, a seasoned mariner with McKeil for more than two decades.



Collister Johnson, Administrator of the Saint Lawrence Seaway Development Corporation, traveled to the Welland Canal for his sixth Seaway Opening Ceremony. He recapped vital progress towards resolution of ballast water issues after intense coordination throughout 2011 and praised the marine industry for its continued commitment to environmental performance in the new ships currently being built for use in the Seaway System. "Marine transportation is already the most energy efficient means of moving cargo, and these new vessels will increase energy efficiency by up to 40 percent in addition to offering leading edge emissions performance," said Johnson.

Bruce Hodgson, Director of Market Development, for the St. Lawrence Seaway Management Corporation (SLSMC), touted the innovation taking place in the Seaway. He noted improvements in the tug and barge sector, in particular Aluminerie Alouette's aluminum ingot shipments that "directly support the operation of a major North American business and, at the same time, bolsters our quality of life." Hodgson praised the Parrish & Heimbecker (P&H) Grain Group for its \$30 million investment in modernizing grain handling facilities at the Port of Hamilton.

The first ship to transit the U.S. locks in Massena was Canada Steamship Lines (CSL) PINEGLEN as it entered Snell Lock at 10:51 p.m. March 22nd. The 736-foot laker was in ballast headed for Thunder Bay, Ontario. Ryan Chatland, a lock supervisor at SLSDC, presented Captain Ken Hindman a Seaway flag onboard the vessel's bridge.

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U.S. Department of Transportation • Saint Lawrence Seaway Development Corporation

Seaway Compass



Administrator's Column, continued from page 1

occurred this past March 23: the U.S. Coast Guard issued its final rule establishing a national ballast water discharge standard. While it took longer than anyone would have wished for the final rule to emerge, it's clear that the Coast Guard used that time wisely to develop a regulation that is practical, reasonable, and will prove to be effective.

The Notice of Proposed Rulemaking was published “way back” in August of 2009. Chronologically, that's not even three years ago, yet, if you take stock of how far we've come in that relatively short amount of time, it seems like a decade ago: the arrival of the U.S. Environmental Protection Agency (EPA) and State regulators onto the ballast water regulatory scene; the rapid expansion of ballast water science; the development of the Environmental Technology Verification (ETV) testing protocols; the applied research advances made by facilities such as Great Ships Initiatives (GSI) and Maritime Environmental Resource Center (MERC); the release of ground-breaking studies by the EPA (remember “Density Matters?”), the National Academies of Sciences, and the Science Advisory Board; the changes to proposed Wisconsin and New York State rules; and the work of the Great Lakes Ballast Water Collaborative all of these events have transpired in the past 31 months. All of those varied efforts have helped to quickly fill in crucial data gaps, and, equally important, rapidly expand the general understanding of what is required to eliminate the introduction of aquatic invasive species. Seldom have so many, from such diverse backgrounds, learned so much, so quickly, about a subject as complex as this.

There's no need for me to summarize the contents of the final rule here — unless you've been living on a remote Pacific island for the past 3 years, you already have a good sense of its contents. I just want to underscore two aspects of the final rule that are particularly noteworthy, if not historic. First, the rule proposes a regulatory framework for managing a very complex operation — treating ballast water shipboard prior to discharge — within what is arguably the most dynamic industry in the world and does so in a way that balances practicality with effectiveness. Despite glib protestations to the contrary, the establishment of a national discharge standard — that can be scientifically measured and routinely enforced — will be highly effective in preventing the introduction of

aquatic invasives. That is a fact, scientifically supported, and the Coast Guard should be applauded for acknowledging and promoting this fact in the face of unjustified criticism of the effectiveness of the IMO D-2 standard. Significantly, it was able to achieve this without resorting to unrealistic deadlines or arbitrary geographic demarcations.

Second, let's not kid ourselves, the Coast Guard is driving the “ballast water bus,” and now that their final rule is in place, we can finally get on with ultimate task of installing effective and reliable ballast water treatment systems onboard vessels. Despite the arrival of other regulatory entities into the ballast water discharge “game,” the Coast Guard's final rule is the foundational piece of the overall ballast water regulatory structure. The final rule provides the requirements and procedures for obtaining Coast Guard type approval of ballast water treatment systems — an approval that only the Coast Guard possesses, thus making it the only regulatory agency that can allow for the installation of such systems.

This is not to say that it is all blue sky from here on out. The temptation for the states to try to impose unrealistic timelines for the installation of ballast water systems is still present. But the Coast Guard's final rule is a significant step in the right direction.

March 23, 2012: mark it down in your calendar as the day we've all waited a long time for. On that day, the Coast Guard “Got It Right” with its final rule regulating ballast water discharges. Now let's get to work...



Seaway 2012 Opening and Outlook, continued from page 1

The new GLSLS season looks to be a good one according to sources. The SLSMC outlook calls for a three percent improvement, according to Hodgson. Rebecca Spruill, SLSDC's Director of Trade Development, identified cargo likely to rise. "Project cargo is going to keep improving, especially wind components headed to American ports," she said.

Several reasons for optimism abound: improvement in the North American economy; a spurt in the oil sands and shale gas industries; foreign demand for U.S. coal; investments in Quebec ore mines; and low freight rates. The resurgence of low sulfur coal exports through the Seaway is welcome news for Superior and Quebec. Iron ore has been moving through these ports for several years, and the run up in commodity prices underscores the viability of transshipments to Asia. Sept-Iles and Quebec are ideally located to benefit from this trade with their deep draft harbors. The Twin Ports and the Seaway serve as a feeder service for the Capesize vessels headed to Europe and Asia.

Aluminerie Alouette (AA) transportation and logistics manager, Donald Gallienne, stressed the importance of marine movement of aluminum to lessen traffic congestion and improve air emissions. The largest smelter in the Americas, AA has shipped about 150,000 tons through the Seaway annually via McKeil barges, but "the forecast for 2012 is above 200,000 tons," he said. If pent up demand for autos continues, expect more shipments destined to ports like Hamilton, Oswego, Cleveland and Detroit where aluminum is used to make fuel efficient cars.

The Canadian government's decision to privatize the Canadian Wheat Board will end its monopoly on the trading of grain and may result in more wheat shipped through the Seaway. While no one knows yet what the results of CWB privatization will bring, millions of tons of grain will be subject to this landmark change in August. Rob Bryson, P&H Grain Group, believes that the Seaway is well placed to continue moving grain. "We rely heavily on the Seaway and the world is coming here to access our system because it is safe, reliable and cost effective."



Left to right – Robert Bryson, Vice President, P&H Grain Group; Bruce Hodgson, Director of Market Development, St. Lawrence Seaway Management Corporation; Captain Rob Dominaux; Collister (Terry) Johnson, Jr., Administrator, Saint Lawrence Seaway Development Corporation, and Steve Fletcher, President of McKeil Marine Limited.

HIGHLIGHTED GUEST

**Rear Admiral Mike Parks,
Commander, Ninth Coast
Guard District**



As I enter my third year as the Commander for the Coast Guard's Ninth District here on the Great Lakes, one of the most significant milestones I will always remember is the release of the Coast Guard's long-awaited ballast water discharge standard rulemaking.

On March 23rd, 2012, the Coast Guard established a standard for the allowable concentration

of living organisms in discharged ballast water. These regulations also put forth an implementation schedule, set

applicability requirements and established a type approval process for ballast water management systems. Vessels entering the Great Lakes will still be required to fully exchange or flush their ballast tanks with seawater until they are equipped with the approved ballast water treatments systems that meet the discharge standard.

The EPA has also proposed the same discharge standard for the next iteration of its Vessel General Permit. We now have a protective and uniform federal standard which is technologically feasible that can be enforced by the Coast Guard in coordination with our Canadian partners.

During my time on the Great Lakes, I have seen firsthand how the states can become a powerful entity when they are aligned and work together toward a common cause.

It is my hope that all the Great Lakes states will embrace this standard and help the Coast Guard and the EPA implement their respective regulations with the goal of significantly reducing the risk of an introduction of aquatic nuisance species into the national treasure we know as the Great Lakes.

Seaway Award Created

The Saint Lawrence Seaway Development Corporation (SLSDC) and The St. Lawrence Seaway Management Corporation (SLSMC) have created a new SEAWAY Award that will be given jointly by the Seaway Corporations. The purpose of the award is to recognize and reward an organization or individual within the stakeholder community of the Great Lakes-St. Lawrence Seaway (GLSLS) System that exhibits the qualities of innovation, creativity, entrepreneurship, tenacity and leadership that has resulted in positive benefits and results for the System.

Collister Johnson, Jr. Administrator of SLSDC, said “We give out awards each navigation season to those ports in the Seaway System that have registered increased international traffic, but this new award will annually recognize different types of accomplishments and contributions made by members of the Great Lakes-St. Lawrence Seaway System.”

Terence Bowles, President and CEO of the SLSMC, commented, “We have an incredibly diverse group of stakeholders and want to ensure that we publically recognize

the extraordinary contributions we see on a continual basis from our stakeholders. This award will help ensure that proper recognition is given to those organizations or individuals that have done something exceptional for the Seaway System.”

U.S. and Canadian stakeholders are eligible to receive the award. This includes ports or port directors, vessel owners, cargo owners or shippers, labor, agents, educational organizations, municipalities, elected officials, NGOs, environmental groups, or any others who participate in the operation and functioning of the Seaway System. Employees of either the U.S. or Canadian Seaway Corporations are not eligible. Senior staff of both Seaway Corporations will submit nominations and the winner will be determined by the SLSDC Administrator and SLSMC President. Stakeholders should contact a SLSDC or SLSMC senior staff member if they would like to make a recommendation.

Beginning this year, one SEAWAY Award will be given annually by the Administrator of the SLSDC and the President of the SLSMC at the Grunt Club-Stakeholders Reception held the first Thursday of December in Montreal, Quebec.

Great Lakes Ballast Water Working Group Report Released

The 2011 Summary of Great Lakes Seaway Ballast Water Management report, compiled by the Great Lakes Ballast Water Working Group (BWWG), was recently released. The BWWG is comprised of representatives of the Saint Lawrence Seaway Development Corporation, the St. Lawrence Management Corporation, U.S. Coast Guard, and Transport Canada. Preventing the introduction of aquatic invasive species into the Great Lakes through stricter ballast water standards and a comprehensive enforcement policy is a top priority for the Saint Lawrence Seaway Development Corporation.

In 2011, 100 percent of vessels bound for the Great Lakes Seaway from outside the Exclusive Economic Zone (EEZ) received ballast management exams on each

Seaway transit. All 7,203 ballast tanks, during 396 vessel transits, were assessed. Vessels that did not exchange their ballast water or flush their ballast tanks were required to either retain the ballast water and residuals on board, treat the ballast water in an environmentally sound and approved manner, or return to sea to conduct a ballast water exchange. Vessels that were unable to exchange their ballast water/residuals and that were required to retain them onboard, received a verification boarding during their outbound transit prior to exiting the Seaway. In addition, 100% of ballast water reporting forms were screened to assess ballast water history, compliance, voyage information and proposed discharge location. The BWWG anticipates continued high vessel compliance rates for the 2012 navigation season.

An electronic copy of the 2011 Summary of Great Lakes Seaway Ballast Water Working Group document can be found at www.greatlakes-seaway.com, under the “Environment” tab.

2012 Navigation Season Begins



The Upbound Canadian Steamship Lines (CSL) PINEGLEN was the first vessel to transit the Eisenhower Lock for the 2012 navigation season. The 736-foot vessel was in ballast and bound for Thunder Bay, Ontario.

Post-Opening Events

The traditional spring opening of the St. Lawrence Seaway brings together key stakeholders on both sides of the border. This year, the two Seaway entities extended the March 22nd opening ceremonies to incorporate additional speaking engagements in cities connected to the waterway's commerce. The "Seaway Week" series of events served to highlight the regional as well as the global impact of the Seaway System. Administrator Johnson's presentations focused on how the growth of cargo shipments through the Seaway is a way to capitalize on the gateway's potential to leverage economic development throughout the Great Lakes Region.

On March 28, Administrator Johnson was the featured speaker at an event hosted by the Greater Cleveland Partnership and the Great Lakes Metro Chambers Coalition. He addressed over 60 individuals representing diverse area businesses. On April 2, he made a presentation at the 2012 Port of Green Bay Symposium, an annual industry gathering that drew more than 80 people this year from the local and regional port community including terminal operators, federal, state, and local agencies, elected officials, and harbor commissioners. Both of these events provided the opportunity to educate and engage additional audiences about the economic importance and environmental sustainability of Great Lakes-Seaway shipping.

New Steel Facility at Port of Indiana

Ratner Steel Supply Co., a producer of steel products, recently announced plans to locate a new facility at the Port of Indiana, creating up to 30 new jobs by 2012.

The Roseville, Minnesota-based company, which produces steel sheets and plates, will invest \$14.25 million to build and equip a 102,000 square-foot steel service facility located at the Lake Michigan port. Construction on the facility will begin later this month with the facility slated to be operational in early 2013.

"While we easily could have opened a facility at any location, Indiana's business climate provided just the sort of location we were looking for," said Steve Gottlieb, general manager and chief financial officer of Ratner Steel. "This new facility allows our company unequivocal access to our customers while strategically placing ourselves in a position for future growth."

Founded more than 25 years ago, the company serves customers in the agricultural, fabrication and energy industries throughout the Midwest and Canada. In 2011, Ratner Steel recorded more than \$100 million in sales.

"This port is home to the who's who of steel companies and Ratner Steel is a great addition," said Rich Cooper, CEO for the Ports of Indiana. "Ratner will not only benefit from synergies with existing port companies but also from being able to access our railroad, highway and waterway connections, which can significantly reduce transportation costs."



International Cargo Tonnage Increased in Four Great Lakes Ports

The Saint Lawrence Seaway Development Corporation (SLSDC) is proud to announce four winners of its Robert J. Lewis Pacesetter Award for the 2011 navigation season. This annual award is presented to U.S. Great Lakes ports that register an increase in international cargo tonnage shipped through the Seaway over the previous navigation season. The four ports that have won the Pacesetter Award for 2011 are:

- Cleveland-Cuyahoga Country Port Authority –10% increase
- Port of Green Bay –139% increase
- Port of Indiana-Burns Harbor –5% increase
- Port of Chicago –21% increase

“The strong numbers realized last year by these Great Lakes ports represents a positive snapshot of the upward turn in U.S. trade as a good direction for the overall economy,” said U.S. Secretary of Transportation Ray LaHood. “Congratulations to the four ports on their robust shipping season and we look forward to another banner year for the Great Lakes St. Lawrence Seaway System.”

SLSDC Administrator Collister Johnson, Jr. said, “The gains made in international cargo shipments last year bode well for the entire Great Lakes St. Lawrence Seaway System and indicate the key role that shipping continues to play in the overall economic recovery. All four of the ports have been past winners of the award since its

inception in 1992 and we are pleased to recognize their outstanding performance again this year.



Left to right – Will Friedman, President and CEO, Cleveland-Cuyahoga County Port Authority, receives the Robert J. Lewis Pacesetter Award from Administrator Collister Johnson, Jr., Saint Lawrence Seaway Development Corporation. During the 2011 navigation season, the Port of Cleveland shipped 302,047 metric tons of cargo through the Seaway, a 10 percent increase over the 2010 season.



Left to right – Neil McKloskey, Harbor Commissioner; Troy Streckenbach, Brown County Executive; Dean Haen, Interim Director, Brown County Port and Solid Waste Department, and Collister Johnson, Jr. During the 2011 navigation season, the Port of Green Bay moved 60,888 metric tons of cargo through the Seaway, a 139 percent increase over the 2010 season.

Winter Maintenance Work Wraps Up



During the winter of 2012, our crews, employees and contractors, completed a great deal of vital winter maintenance work as well as the Asset Renewal Program projects that were necessary to be finished prior to opening of the 2012 navigation season. SLSDC personnel installed stoplogs, dewatered both locks, performed annual inspections and preventive maintenance on

lock operating machinery and lock structures and made repairs as required.

Contractors completed work for rehabilitating the upstream miter gate at Snell Lock which included replacing quoin and miter contact blocks, pintel assemblies, anchorage assemblies, diagonals and seals; replacing the north side valve operating machinery at both locks with hydraulic equipment; replacing worn and corroded sheave shafts on the Vertical Lift Gate; and upgrading the Vertical Lift Gate Controls.

The limited window of time available to get this critical work completed demonstrates the commitment and hard work of our personnel that goes into preserving and maintaining the Seaway’s assets. The Seaway’s emphasis on safety paid off during this year’s winter work program of the over 50,000 documented manhours recorded, only one-quarter of 1 percent (0.272%) were lost to safety-related incidents.

New SLSDC Advisory Board Members

The SLSDC has a statutorily mandated five-member Advisory Board, which reviews the general policies of the SLSDC and advises the Administrator with respect to these policies. The members of the Advisory Board are appointed by the President with the advice and consent of the U.S. Senate and not more than three of the members belong to the same political party. The Advisory Board must meet at least once every 90 days.

We are excited to announce two new members that have been confirmed by the U.S. Senate to serve on the SLSDC's Advisory Board:

- Wenona T. Singel – Ms. Singel is an Assistant Professor at the Michigan University Law College as well as the Associate Director of the Indigenous Law and Policy Center. Professor Singel is the Chief Justice of the Little

Traverse Bay Bands of Odawa Indians and a former member of the tribe's Economic Development Commission. She is Of Counsel to the law firm of Kanji & Katzen, PLLC, a firm with offices in Ann Arbor and Seattle that specializes in representing tribes in Indian law matters. She currently resides in East Lansing, Mich.

- David J. McMillan – Mr. McMillan is a native of Hartford, Conn. He graduated from the University of Minnesota-Duluth in 1983 and earned his law degree from the University of Minnesota in 1987. Mr. McMillan joined Minnesota Power in 1989 as a company attorney and was named senior attorney in 1995. In 1998, he was named vice president-customer solutions and in 2000 became vice president-strategic accounts/marketing.

Ms. Singel and Mr. McMillan will join Mr. Charles Dorky, III, Partner, McKenna Long and Aldridge, as the current member on the Board.

Great Lakes Maritime Teacher Institute



The Great Lakes Maritime Research Institute (GLMRI) is offering an opportunity to explore the historical, economical and environmental aspects of Great Lakes shipping in the beautiful Upper Peninsula of Michigan.

Participants of the GLMRI will tour Cleveland Cliff's Tilden Iron Ore Mine in Ishpeming, visit the Marquette Harbor, enjoy the Pictured Rocks National Park Boat

Tour in Munising, visit the Whitefish Point Shipwreck Museum in Paradise, Port Inland limestone quarry on L. Michigan, and many more exciting places. Participants will gain new knowledge and skills, classroom activities and resources that can be integrated into social studies, science, language arts, and math classes.

The institute will explore the many facets of the shipping industry within the context of intermodal transportation, port safety, Great Lakes shipping routes and global destinations. The institute will provide teachers with a foundation in maritime transportation history, current operations, and future career opportunities.

For more information, contact: Joan Chadde, Institute Coordinator, Center for Science and Environmental Outreach, Michigan Technological University, (906) 487-3341, or jchadde@mtu.edu.

Canada Steamship Lines and Short Sea Shipping Featured on "Profiles with Terry Bradshaw"

The environmental benefits of short sea shipping and Canada Steamship Line's (CSL) role as an industry leader in promoting greener business practices are featured in a segment on the business documentary series "Profiles with Terry Bradshaw."

Hosted by Hall of Fame quarterback and TV personality Terry Bradshaw, the segment features interviews with Rod Jones, CSL Group President and CEO; Kirk Jones, Canada Steamship Line's Vice President, Sustainability, Government and Industry Affairs; and Zoë Caron, Policy Specialist with World Wildlife Fund. Footage of CSL self-unloaders is featured prominently throughout the program as they discharge in various locations across North America.

Check it out — <http://csl.ca/ProfilesWithTerry.html>

Upcoming Events

May

May 20–24

**Great Lakes St. Lawrence Seaway System's
33rd Annual Binational Trade Mission**
Antwerp, Belgium
Contact: Rebecca.spruill@dot.gov; (202) 366-0091

May 22–24

Breakbulk Conference
Antwerp, Belgium
Contact: www.breakbulkevents.com

May 29–30

Green Tech 2012
Quebec City, Quebec
Contact: www.green-marine.org

June

June 24–26

**76th International Joint Conference—
Canadian Shipowners Association**
Mont-Tremblant, Quebec
Contact: dagenais@shipowners.ca

Personnel News

Louis Martel took over the helm of The Canada Steamship Lines Group's (CSL) division as President on April 1, 2012, succeeding Gerry Carter.

Mr. Martel joined CSL as a Naval Architect in 1997, and transferred to sister company CSL International (CSLI) of Beverly, Massachusetts, as Director, Technical Operations in 2003. He was promoted to Vice-President, Technical Operations in 2006, and was responsible for all technical aspects of the CSLI fleet, including new vessel construction.

Other Canada Steamship Lines personnel changes are:

Claude Dumais, Vice-President,
Technical Operations

Dan McCarthy, Vice-President, Marketing
and Customer Service

Kirk Jones, Vice-President, Sustainability,
Government and Industry Affairs

Harry Christopoulos, Controller

Brigitte Hébert, Manager, Communications

