Via Fax: (202) 493-2251

Docket Management Facility (M-30)
U.S. Department of Transportation
West Building Ground Floor
Room W12-140
1200 New Jersey Avenue, SE
Washington, DC 20590-0001
Attention: Docket ID No. USCG-2004-19621

DEPT. OF TRANSPORTATION DOCKETS

7008 JUL 22 P 2: 54

Dear Sir or Madam:

U.S. COAST GUARD DOCKET (USCG 2004-19621)
DRY CARGO RESIDUE DISCHARGE IN THE GREAT LAKES
NOTICE OF PROPOSED RULEMAKING
AND AVAILABILITY OF DRAFT ENVIRONMENTAL IMPACT STATEMENT
FEDERAL REGISTER, VOL. 73, NO. 101, MAY 23, 2008, PAGES 30014-30029

Key Lakes, Inc. manages and operates eight Great Lakes Lakers (Great Lakes Fleet), serving ports on the four upper Great Lakes.

Efficient movement of dry-bulk cargo is extremely important to Key Lakes, Inc (Great Lakes Fleet). Each year we ship 11 million tons of taconite, 2 million tons of coal and 4 million tons of limestone.

We also respect the environment and always endeavor to meet our obligation to keep the Great Lakes clean and healthy.

We are writing to endorse continuation of the policy that allows the washdown of non-hazardous, non-toxic dry-cargo residue on the Great Lakes. Extensive studies have shown that the practice (which in some instances has gone on for well over a century) has no significant environmental impacts. In fact, the Draft Environmental Impact Statement (DEIS) finds the effects of dry-cargo residue washdown "barely detectable."

The amount of dry-cargo residue washed down is minute. Again, according to the DEIS, the residue is equal to 0.0006 percent of cargo moved on the Lakes. Continued washdown of dry-cargo residue will have no adverse impacts on the Great Lakes, but will allow U.S.- and Canadian-Flag "Lakers" to operate as efficiently as possible.

The proposed rulemaking does slightly expand the areas where washdown is prohibited. While the DEIS again found that washdown in these areas would not have major environmental consequences, we support these additional measures.

The proposed rulemaking would make mandatory the recordkeeping currently done by vessel operators on a voluntary basis. We understand the purpose here is to facilitate further study. This strikes us as unnecessary given that 10-plus years of studies have concluded the practice does not harm the environment and the fact that cargo residue washdown has taken place for so long. Further study is merited only if a new dry-bulk cargo trade materializes.

Finally, the proposed rulemaking theorizes about possible measures if a Zero Discharge Policy was enacted. It suggests washdown water could be pumped to a treatment facility at the loading or discharge dock. This would be a considerable expense, and again, unnecessary given the benign nature of the practice. We also must note some of our facilities are in remote locations, so it would not be easy to build and operate such treatment systems.

Again, we endorse the proposed rulemaking's finding that dry-cargo residue washdown can continue on the Great Lakes. No harm will come to the environment, but Great Lakes shipping will remain the most cost-effective way to move large quantities of dry-bulk cargos.

Thank you for the opportunity to comment.

Captain William C. Peterson

General Manager, Key Lakes Inc.