

Lake Carriers' Association

The Greatest Ships on the Great Lakes

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November 4, 2011

Via Fax: (202) 493-2251 – ATTENTION DESK OFFICER FOR THE COAST GUARD

Docket No. USCG-2011-0710

Docket Management Facility (M-30)
U.S. Department of Transportation
West Building Ground Floor
Room W12-140
1200 New Jersey Ave. SE
Washington, DC 20590-0001

DEPARTMENT OF
TRANSPORTATION
WET OPERATIONS
2011 NOV - 4 A 9:03

Dear Sir or Madam:

**Collection of Information Under Review
By Office of Management and Budget
Federal Register, Vol. 76, No. 195, Friday, October 7, 2011, Pages 62424-62426**

Lake Carriers' Association represents 17 American companies that operate 55 U.S.-flag vessels on the Great Lakes and carry the raw materials that drive the nation's economy: iron ore and fluxstone for the steel industry, aggregate and cement for the construction industry, coal for power generation.... Collectively, these vessels can transport more than 115 million tons of dry-bulk cargo per year when high water offsets lack of adequate dredging. The cargos our members carry generate and sustain more than 103,000 jobs in the United States. The value of economic output tied to those cargos topped \$20 billion in 2010. Federal, state and local taxes totaled more than \$2.2 billion.

LCA believes the draft Paperwork Reduction Act Submission Form MMB 83-1 (Submission) and supporting formation in the docket are incomplete and therefore cannot be used to support renewal of Coast Guard Forms 2692, 2692A and 2692B. OIRA should return the submission and request a more thorough analysis which will, in our opinion, highlight the need to correct the flaws we will identify in the existing Submission.

Our greatest concern is that the draft Submission form and all related analysis is based on CG 2692 forms related to "reportable" casualties and not to all CG 2692 forms actually prepared and submitted by regulated vessel operators which therefore **substantially** underestimates the impact.

This need not be the case. A "reportable casualty" is defined in unambiguous terms in Federal regulation. Unfortunately, this definition is often not the foundation for everyday practice. Even the Coast Guard has acknowledged that its field units often require submission of a 2692 for "non-reportable" marine incidents and events. The filing of unnecessary 2692s will continue and perhaps grow if OIRA approves the Submission as proposed. We need clarification as to when a 2692 must be submitted and then a consistent application of the parameters throughout the Ninth Coast Guard District.

Continued..../

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The Association Representing Operators of U.S.-Flag Vessels on the Great Lakes

AMERICAN STEAMSHIP COMPANY • ANDRIE, INC. • ARMSTRONG STEAMSHIP COMPANY • BELL STEAMSHIP COMPANY
CENTRAL MARINE LOGISTICS, INC. • GRAND RIVER NAVIGATION COMPANY, INC. • GREAT LAKES FLEET/KEY LAKES, INC.
INLAND LAKES MANAGEMENT, INC. • THE INTERLAKE STEAMSHIP COMPANY • LAKES SHIPPING COMPANY
LAKE MICHIGAN CARFERRY SERVICE • PERE MARQUETTE SHIPPING • PORT CITY MARINE SERVICES • PORT CITY STEAMSHIP SERVICES
SOO MARINE SUPPLY, INC. • UPPER LAKES TOWING COMPANY, INC. • VANENKEVORT TUG & BARGE INC.

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Over-reporting obviously increases the paperwork burden on industry, but there's a more important consideration here. This over-reporting paints a statistically misleading portrait of the maritime industry that can lead to unnecessary regulations. Our members are responsible operators and would never jeopardize the safety of their crews, but over-regulation is the bane of efficiency, and as we noted in our first paragraph, more than 100,000 jobs depend on LCA-registered vessels moving cargo on the Great Lakes. The U.S. Army Corps of Engineers estimates that Great Lakes shipping annually saves its customers \$3.6 billion per year compared to the next least costly mode of transportation. Excessive regulation can and will over time erase those savings.

It is not difficult to cite examples of overzealous desire for industry filing 2692s. There are on the Great Lakes what we call "workboat docks." Either siting precludes the vessel from coming alongside the dock or the dock is just really some open land fronting the water. In either instance, crewmembers must row the mooring cables to shore and tie up to whatever is available, including trees. Some Coast Guard units consider tying to a tree a grounding and want a 2692 filed. Our members have had to file a 2692 when they brushed alongside a bridge abutment so gently that the paint did not even rub off the hull.

It's even more exasperating when a company files a 2692 and then is visited by a Coast Guard inspector who did not review the document. We are aware of an incident when a "No Sail" order was issued because the inspecting officer was under the impression the vessel had a hole in its hull, whereas the 2692 explained the vessel had a small dent.

One change that could reduce over-reporting is raising the monetary threshold at which a 2692 must be filed. Currently the threshold is \$25,000, but that level was established many, many years ago and in no way reflects maritime operations in the 21st century. We recommend increasing the threshold to \$150,000. As an aside we, we further note that the threshold for reporting a "Serious Marine Incident (which kicks in the requirement for drug testing crewmembers involved in the incident) is \$100,000. The two thresholds should be harmonized at \$150,000.

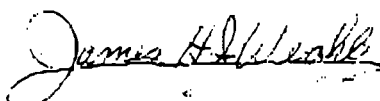
Furthermore, filing a 2692 is not as simple a task as the Coast Guard suggests when it estimates a single hour to complete the form. The information being gathered and submitted must be completely accurate down to the smallest detail, as the form is available to the public and can be used for litigation purposes. Legal counsel is often involved in preparation of a 2692.

In fairness we must note that Coast Guard is working on a Navigation and Vessel Inspection Circular (NVIC) that is supposed to clarify when a CG 2692 must be filed. However, the document is not yet available, so we cannot determine if it will correct the over-reporting. Therefore, it is essential that OIRA evaluate the impact based on current practice and not the promise of a lessened burden at some point in the future.

We do not object to filing a 2692 when there has been a reportable casualty, but the Coast Guard must prepare a Submission that reflects everyday practice, and unfortunately, that practice currently requires significant over-reporting. If necessary, a short-term, interim approval should be issued, but final approval must await publication of the NVIC and analysis of its ability to correct the flaws identified in our submission.

Thank you for the opportunity to comment. If you need additional information, please contact us at your convenience.

Sincerely,



James H. I. Weakley
President

Cc: Members, LCA Operations Committee