

Lake Carriers' Association

The Greatest Ships on the Great Lakes

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July 18, 2008

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
2008 JUL 21 P 1:42

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**

Lake Carriers' Association represents 16 American corporations that operate 63 U.S.-Flag vessels on the Great Lakes. These vessels carry the raw materials that drive our country's economy: iron ore for the steel industry, limestone for the construction industry, coal for power generation, These vessels can transport more than 115 million tons of cargo in a given year when high water levels offset the lack of dredging at Great Lake ports and waterways.

The question of continuing to allow the washdown of small amounts of dry-cargo residue (DCR) from U.S.-Flag Lakers (Canadian-Flag too) is of critical importance to our members and the American economy. We appreciate the painstaking research and examination of the facts that have lead to the conclusion that the practice can continue without any harm to the environment. This is a sterling example of respect for the environment and the needs of commerce. No harm will come to the Great Lakes, but they will remain one of the pillars of America's industrial transportation system.

We have long believed that washdown of small amounts of cargo residue posed no threat to the Great Lakes environment. The Draft Environmental Impact Statement (DEIS) confirms our belief. Page after page of the DEIS confirms that the washdown of dry-cargo residue will not degrade the Great Lakes environment.

Continued . . . /

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Representing Operators of U.S.-Flag Vessels on the Great Lakes Since 1880

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 • KK INTEGRATED LOGISTICS • LAKES SHIPPING COMPANY • LAKE MICHIGAN CARRIAGE SERVICE • PERE MARQUETTE SHIPPING
SOO MARINE SUPPLY, INC. • UPPER LAKES TOWING COMPANY, INC. • VAN ENKEVORT TUG & BARGE INC.

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It might be best, however, to first stress that the amount of dry-cargo residue being washed down is truly minute. As the DEIS notes on page 1-9, "the weight of swept DCR was approximately 0.0006 percent of the cargo transported." This is further quantified on page IV of the Executive Summary: "Based on voluntary (emphasis added) industry recordkeeping, the amount swept annually is small compared to the total amount of cargo transported (approximately 500 tons compared to 165 million (emphasis added) tons transported)."

Nothing better illustrates the inconsequential amount of DCR being swept over than this finding on page 3-18 of the DEIS: "The highest track line DCR density (emphasis added) (coal on Lake Erie) was equivalent to approximately three cups of coal being evenly distributed over a football field."¹

This is a very important frame of reference. The general public must understand that the practice **does not** involve significant volumes of dry-cargo residue. Nor will it in the future, even if cargo movement increases. If anything, continued refinement of shipboard and dockside practices will further reduce the amount of DCR. It's simply good business. The cargo owner is paying for that iron ore, coal, limestone, It is in both the dock's and the vessel operator's best interest to load and deliver as much of that cargo as humanly possible. Vessel operators have already taken voluntary steps to reduce the volume of cargo residue, and two previous studies conducted by environmental contractors on behalf of the U.S. Coast Guard documented the significant progress.

The public and regulators need to also understand that much of the raw materials that move on the Lakes are shipped in more or less their natural state. Coal and limestone, for example, are sized and sometimes rinsed prior to loading into the vessel (or the train that will transport the commodity to the loading dock). Only iron ore (taconite pellets) requires a binding agent during the pelletizing process.

But most importantly, none of these cargos are toxic or hazardous. As the DEIS notes on page 2-15, "...DCR are generally chemically benign...." On page 4-5, the DEIS further finds that "the effects of over a century of DCR sweeping on sediment quality or biological resources are barely detectable."

Paragraph after paragraph of the DEIS reiterates that the washdown of DCR will not harm the Great Lakes environment, so we fully endorse the continuation of the practice. As good corporate citizens and men and women who live along the shores of the Great Lakes, we want these Lakes to be healthy. From "nine to five" they are our workplace, but when we go home at the end of day, they are our drinking water and a source of rest and relaxation. That's why a respect for the environment is part of every business decision we make.

The proposal does prohibit DCR washdown in certain special areas where they are now allowed. These are areas that contain wildlife refuges, designated protection areas, or other habitats that are especially sensitive environmentally. The DEIS indicates that DCR sweepings have a minor (emphasis added) environmental impact on these areas. We understand the need to minimize impacts on areas such as spawning grounds, etc., so do not object to the additional no discharge areas.

¹ The coal trade on Lake Erie is significant. The ports of Toledo, Sandusky, Ashtabula, Conneaut (all Ohio) and Buffalo, New York, typically ship 15 million tons a year. Historically, the trade used to be much greater. In 1950, for example, coal loadings at Lake Erie ports topped 50 million tons.

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The proposed rulemaking's "encouragement" of U.S. and foreign carriers moving dry-bulk cargo on the Great Lakes to voluntarily use measures to control the amount of DCR strikes us as a bit of a disconnect. Our members **are** (and have been for more than a decade) voluntarily using such measures. The minute amounts of DCR are proof positive of that. As we noted earlier, there may be some refinements in shipboard and shoreside practices, but we do not want anyone getting the impression that there are a host of additional steps vessel operators can take. Our members have installed belt scrapers. They instruct the dock to suspend loading when the vessel is being shifted. Deckhands do shovel spillage back into the hold or back onto the conveyor belt

The proposed rulemaking also makes mandatory the recordkeeping the industry has been doing on a voluntary basis so there can be further analysis of the impacts of DCR washdown. We question the necessity of this for the simple reason that we wonder what more there is to study. Dry-cargo residue sweepings have been taking place for a long, long time. The first iron ore cargo was loaded in Marquette, Michigan, in 1852. That's 156 years ago. The iron ore trade out of Duluth, Minnesota, dates to 1892. Sandusky, Ohio, has been shipping coal since that same year. The limestone quarry at Calcite (Rogers City), Michigan, has been in operation since 1912. When samples of DCR were taken off Lake and harbor bottoms, we were examining the accumulations and, therefore, impacts of a hundred-plus years in many instances.

Consider the amount of dry-bulk cargo that has moved on the Great Lakes. Since 1900, totals for iron ore, coal, and limestone are as follows:

- Iron Ore..... 7.1 billion net tons
- Coal..... 4.1 billion net tons
- Limestone 2.2 billion net tons

These are tremendous volumes, so the samples taken and analyzed showed the long-term impacts of DCR sweepings. Therefore, we do not believe further study or continued recordkeeping are merited, except should a new cargo trade develop.

The proposed rulemaking discusses the possibility of zero discharge of dry-cargo residue as an option for the future. We do not believe that this course of action should be considered, given the almost imperceptible impacts on the environment. And, as the proposed rulemaking notes, the costs to industry and its customers would be considerable – as much as \$373 million over a 10-year period. The imposition of such extraordinary costs would surely shift cargo to modes of transportation that have greater environmental and societal impacts. Trains and trucks use more fuel and produce more emissions than ships and tug/barge units. It would take 700 railcars or 2,800 trucks to equal the per-trip carrying capacity of just one of our largest ships. A total ban on the discharge of dry-cargo residue would harm the very environment it seeks to protect.

We must also note that this zero discharge assumes that washwater pretreatment facilities would be built, 181 in total. This fails to recognize that many shipping and receiving docks do not have unused space to fit such facilities. Also, many docks are in remote locations. Connections to local sewer lines would not be easy, and we question the ability of the region's combined sewer outflows to handle the additional volumes.

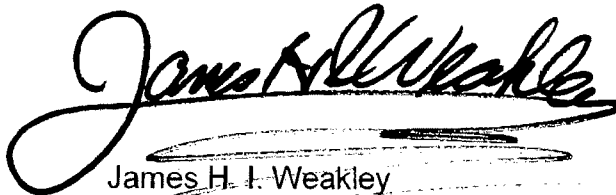
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Again, given the negligible impacts on the environment and the astronomical costs associated with a zero discharge policy, we believe that option does not merit further consideration. The proposed course of action – continuation of DCR washdown, with a slight expansion of no discharge zones, protects the environment while allowing waterborne commerce to meet the needs of industries that are vital to our standard of living and national defense capabilities. The studies that lead to this conclusion were exhaustive and spanned more than a decade. There are no unanswered questions. Let's implement the proposed rulemaking and proceed, confident that we have met our environmental obligations and found the optimal balance.

Sincerely,



James H. I. Weakley
President

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Members – LCA Fleet Engineers
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