

GMS

Gallagher Marine Systems

29 September 2013 Client Advisory – #16-13 2013 Vessel General Permit Update

Overview:

This advisory provides an update regarding the 2013 Vessel General Permit.

Background:

The Vessel General Permit (VGP) was created as part of the National Pollution Discharge Elimination System (NPDES). The NPDES is a program created and administered by the Environmental Protection Agency (EPA) under the authority of the Clean Water Act of 1972.

The VGP both authorizes and regulates discharges that are “incidental to the normal operation of a vessel”; i.e., waste streams that by their nature cannot be fully prevented or stopped if the ship is to continue to operate. Generally, the VGP itself does not authorize, or regulate, discharges covered under regulations administered by the U.S. Coast Guard (USCG). These include such discharges as sewage, NLS and tank washings, etc. Notable exceptions, however, are the Biofouling and the Ballast Water effluent categories, which are regulated by both the VGP under the authority of the Clean Water Act, and by the USCG under 33 CFR Part 151 (operations) and 46 CFR Part 162 (equipment) under the authority of the National Invasive Species Act.

- The authority of the VGP extends out to the “Waters of the United States” as defined in 40 CFR 122.2, including inland waters, and parts of the Great Lakes that are under the jurisdiction of the US. For the purposes of the VGP, the definition of “Waters of the United States” extends out to 3 Nautical Miles from the baseline. Outside of 3 NM from the baseline, the VGP is not effective.
- The Vessel General Permit is planned to have a 5-year life cycle, beginning on the 19th of December each 5th year (i.e. 2008, 2013, 2018, etc.). The 2013 VGP is the second VGP to become enacted; the third is expected to come into effect in December 2018.
- The USCG verifies VGP compliance during Port State Control (PSC) boardings. VGP compliance deficiencies are entered into the USCG’s PSC database for later review and possible adjudication by the EPA. To date, the vast majority of VGP deficiencies issued to vessels are for not having a Notice of Intent (NOI) on file with the EPA.
- The 2013 VGP Fact Sheet which is downloadable from the EPA’s website at http://cfpub.epa.gov/npdes/home.cfm?program_id=350 provides information and discussion on the VGP. It is a useful reference for any company official overseeing VGP implementation aboard their vessels and for those seeking a better understanding of the VGP and what it is intended to accomplish.

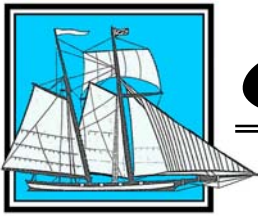
Page 1 of 3

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Update:

VGP Compliance Manual – As you know, GMS created a VGP Manual to assist you in compliance with the first iteration of the VGP in 2008. Gallagher Marine Systems (GMS) Compliance Partners and their vessels rely on our VGP Manual to facilitate compliance with the existing 2008 VGP. In preparation for the 2013 VGP, GMS has conducted a thorough review and update of our previously issued Compliance Manual. If utilized properly, the our newest version of the Compliance Manual will again assist vessels in complying with the VGP. The Manual has also been streamlined and reorganized into a fleet document. The Core section of the new VGP Compliance Manual includes guidance specific to an entire fleet. Vessel specific information and documents are now located in an Appendix to the Core section.

- GMS anticipates being able to send out the revised VGP Compliance Manual Core in October. The Core will be sent over the course of the month to all companies for which GMS actively maintains VGP Compliance Manuals. On that note, if you have not taken the opportunity to utilize the GMS VGP manual, please contact us at info@chgms.com
- VGP Compliance Manual appendices, including vessel specific appendices, will follow after GMS has received NOI filing information for each vessel.

NOI Filing - For vessels covered under the 2008 VGP and wanting to continue coverage under the 2013 VGP without interruption, Notices of Intent (NOIs) are due on or before 12 December 2013. All existing NOIs will expire on 19 December 2013. **To date, the EPA does not yet have a system in place to receive new NOI filings.** The EPA has informed GMS that they expect their new NOI filing system to be ready to receive new NOIs at some point in October. GMS intends to be ready to start filing NOIs as soon as the EPA system is ready.

- Companies currently paying NPDES retainer fees will not be charged for GMS assistance with filing new NOIs for existing vessels.

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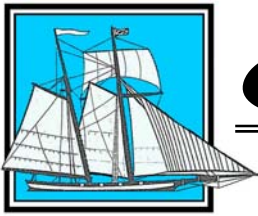
Page 2 of 3

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GMS Compliance Partner Actions:

- If you have not done so already, GMS recommends reading our Advisory #10-13. This advisory highlights key differences between the 2008 VGP and the 2013 VGP.
- Please review the attached SAMPLE NOI Form. **Do not complete and return this form to GMS.** The attached SAMPLE form contains the data that will be required in order to file the 2013 NOI and is informational in nature. Please review this form and begin gathering any data that you do not currently have available. Completed forms should NOT be returned to GMS at this time.

GMS will soon issue further instructions to all NPDES clients. These further instructions will provide detailed information regarding how to provide us with the data required to file your NOIs and create your new VGP Compliance Manuals. Once you receive our further instructions, it will be vital that you provide the required information in a timely manner.

If you have any questions or concerns, please do not hesitate to contact us at info@chgms.com

Page 3 of 3

END OF ADVISORY

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