



# Seaway Compass

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

Winter 2003

## Marine Community Days Celebrated

**B**oth Toronto and Cleveland celebrated their annual marine community days in January, and the pulse of the marine community is strong. For those whose

schedules did not permit attendance, a brief review of major issues addressed and remarks by some of the key attendees follow.

The Chamber of Commerce's Board of Directors meeting in Toronto January 16 served as the venue for marine executives in government and industry to gather and deal with the issues confronting us in the new year. The meeting began with brief updates before moving forward to discussion items. Updates touched briefly upon the Automatic Identification System (AIS) and its future expansion throughout the Great Lakes, ballast water management, Canadian



Major General Hans Van Winkle, Deputy Commanding General, USACE

stresses the importance of binational partnerships in exploring ways to enhance the Great Lakes Seaway System.

Coast Guard cost recovery, increasing Seaway draft, and dredging. Seaway leadership was joined by Scott Parker from the U.S. Army Corps of Engineers' (USACE) Detroit District to discuss the Great Lakes Navigation Study.

The luncheon speaker at the meeting was Transport Canada (TC) Minister David Collette. His message on the Great Lakes Navigation study provided TC's position on this important topic.

"I'm very keen on having my department work with the U.S. Department of Transportation and the U.S. Army Corps of Engineers on a study of infrastructure require-

ments for the Great Lakes St Lawrence Seaway System (GLSLS)," he said. He also noted that an underutilized Seaway System could help reduce traffic and pollution clogged highways in Toronto.

A briefing on the new Department of Homeland Security and its impact on Seaway authority and operations was provided by Rear Admiral Ron Silva, U.S. Coast Guard Commander

of the 9<sup>th</sup> District. He also led a discussion on port and Seaway security in today's post 9/11 environment.

Mike Doran, Toronto's Port Director, chaired a meeting that reported on the 2003 activities of the Great Lakes Cruising Coalition (GLCC), a presentation by officials from Canadian and U.S. Great Lakes ports. The GLCC items included incorporation status, membership, and a new ship and charter program. Stephen Burnett, the organization's Director, briefed everyone on shore excursion issues and potential new cruise ships for the Great Lakes.

More than 300 attendees to the annual Great Lakes Marine Community Days meeting in Cleveland heard a star-studded lineup of marine experts discuss diverse topics. Hosting the

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Admiral Thomas Collins, U.S. Coast Guard Commandant, described six key elements of the President's maritime security strategy.

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# “Building Tomorrow’s Better Seaway Now”

by Albert S. Jacquez, SLSDC Administrator



The 2002 navigation season on the St. Lawrence Seaway portion of the Great Lakes St. Lawrence Seaway (GLSLS) System closed December 26

when the CSL Laurentien passed through St. Lambert Lock outside Montreal. The Seaway's 44<sup>th</sup> season presented each stakeholder with a variety of opportunities and challenges. The 276-day long season set no tonnage records for its perennial cargo leaders—grain, iron ore, and coal—but did produce some good news in steel products, other bulk and general cargo categories.

Preliminary statistics reflect overall cargo reached 41.4 million tons, a decrease of 1 percent over the previous season. If the season numbers for tonnage and transits did not live up to everyone's expectations, it did produce some clear winners. Binational cooperation par excellence on a number of issues of long-term, critical significance to the entire GLSLS system proved that the Seaway is healthy and effective, though faced with undeniable aging infrastructure challenges.

A season highlight was the successful roll out of the Automatic Identification System (AIS) in Montreal last September. AIS marries Global Positioning System (GPS) satellite technology with advanced digital GPS and new communication technologies via universal VHF radio frequency. AIS permits sharing vital marine navigation data from ship-to-ship, shore-to-ship, and ship-to-shore.

Receiving vital, timely information has never been more important than it is today, and a proven tool for delivering comprehensive data on commercial navigation in the GLSLS in real-time has been our binational website ([www.greatlakes-seaway.com](http://www.greatlakes-seaway.com)). With more than 86,000 'hits' last December, no one can doubt that industry and the public are displaying a real and growing interest in learning how easy and profitable it is to conduct e-business with the Seaway. Software applications like Cost Calculator, Cargo Matching, and Vessel Transit Information, introduced last summer are permitting customers to receive up-to-the-minute data on their vessel's trip and cargo status.

Security on the Seaway has been enhanced to meet the more stringent requirements demanded in today's

interagency law enforcement and emergency service participation.

Recent economic data confirms the substantial impact the Seaway has had on U.S. and Canadian economies, providing tens of thousands of jobs and billions of dollars in income annually. Despite that success, the Seaway remains an underdeveloped binational treasure, and the Saint Lawrence Seaway Development Corporation and the Saint Lawrence Seaway Management Corporation are working hard to change this situation. Our trade missions, led by seasoned maritime professionals and executives, sell Seaway competitiveness to new customers. Last September, our delegation traveled to France and Spain, educating audiences on how doing business with the Seaway is in their best interest.



The Seaway max vessel CSL Laurentien cleared Eisenhower Lock early morning on December 26 ending the 2002 Navigation Season for the U.S. Locks. The vessel was loaded with Canadian wheat bound for Baie Comeau, Quebec.

post 9/11 environment. Some 250 risk assessment boardings were conducted last year. Enhanced security screening inspections are conducted in Montreal where they have the greatest return on investment and pose the least negative impact on shipping interests. Our recently conducted annual emergency response exercise involved intensive

The aging infrastructure of the Seaway, and decreasing accessibility to larger ships, underscore the value in conducting an intensive, technical binational study addressing economic potential and environmental risks. As we await the imminent political decision, let us commit ourselves to performing our jobs with renewed spirit.

## Summary of the 2002 Navigation Season

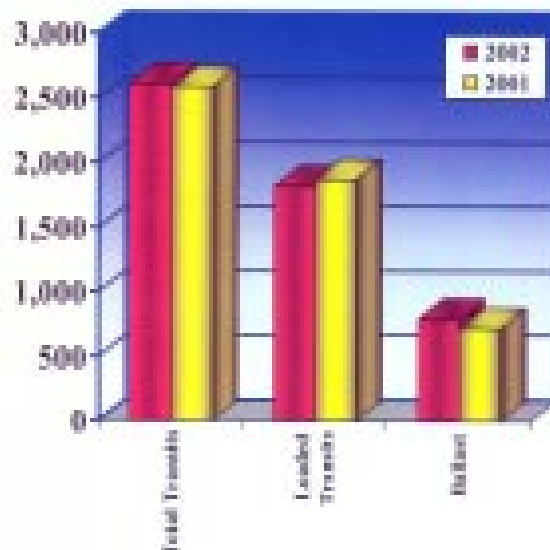
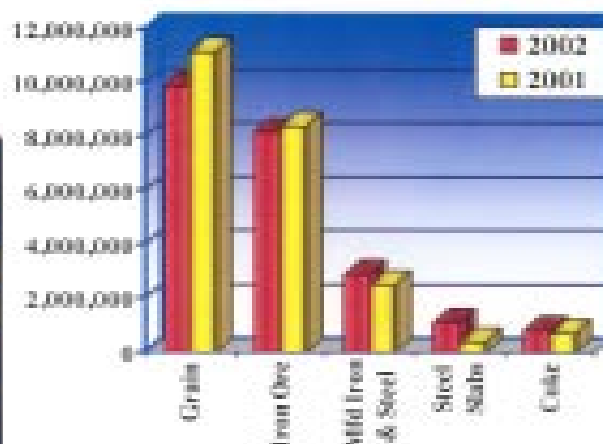
Estimated total tonnage through the Montreal-Lake Ontario section (MOLO) of the St. Lawrence Seaway in 2002 was 30.0 million metric tons, 1 percent below the 2001 total. The decrease can be attributed, in large part, to a continued weak North American economy, especially in the area of manufacturing, and the lowest level of imported iron ore through the MOLO since 1986 (8.2 million metric tons) and the lowest grain export total since 1960 (9.9 million metric tons). Other variables include higher fuel costs and the unknown effect of U.S. steel tariffs at the start of the navigation season.

Estimated tonnage levels for the total St. Lawrence Seaway (MOLO and Welland Canal) was 41.4 million metric tons (a decrease of 1 percent). Iron ore movements through both sections increased to 9.6 million metric tons (11 percent). This was due to an increase in domestic ore movements through the Welland Canal section (5.1 million metric tons, 45 percent above 2001).

The low level of Quebec/Labrador-produced iron ore movements through the MOLO section can be attributed to a decline in North American steel production around the Great Lakes,

and a shift from Labrador ore movements that enter the Great Lakes through the MOLO section to Mesabi-originated domestic movements through the Welland Canal. The reduction in iron ore consumption was reflected at the national level as well. U.S. iron ore consumption throughout the nation was down 10-15 percent in 2002. Several commodities posted increases in 2002: manufactured iron and steel, steel slabs, chemicals, gypsum, stone, and cement clinkers.

Commodities	2002	2001	Change	
			Tons	Percent
Grain	9,864,000	11,162,000	(1,298,000)	(12%)
Government Aid	26	0	26	100%
Iron Ore	8,167,000	8,386,000	(219,000)	(3%)
Coal	336,000	407,000	(71,000)	(17%)
Coke	848,000	754,000	94,000	12%
Other Bulk	6,620,000	6,548,000	72,000	1%
Mfd Iron & Steel	2,928,000	2,513,000	415,000	17%
Steel Slabs	1,138,000	384,000	754,000	196%
Other General	93,000	108,000	(15,000)	(14%)
Containers	15,000	16,000	(1,000)	(8%)
<b>Cargo Total</b>	<b>30,034,000</b>	<b>30,278,000</b>	<b>(244)</b>	<b>(1%)</b>
Vessel Transit	2002	2001	Change	
			Transits	Percent
Loaded Transits	1,819	1,867	(48)	(3%)
Ballast Transits	793	721	72	9%
<b>Transit Total</b>	<b>2,612</b>	<b>2,588</b>	<b>24</b>	<b>1%</b>



# Great Lakes Commission Study

by Steve Thorp, Program Manager, Transportation and Sustainable Development



**I**n 1993, the Great Lakes Commission completed a study, which looked at the safety, energy

and environmental implications of various commodity movement scenarios where surface freight transportation was substituted for Great Lakes and St. Lawrence River commerce. That "modal shift" study revealed that commercial vessels were safer, used less fuel, had fewer emissions and were better for reducing noise and congestion when compared to equivalent rail and truck movements. These findings helped the marine community make a case for their mode's rightful place in the region's transportation system. The environmental community even expressed surprise, indicating the information gave them a new perspective.

The Commission has decided to conduct a new modal shift study. Transportation industry and technology changes since the early 1990s, as well as changes in commodity volumes and routings and roadway congestion, indicate a need to update the 1993 study. The new effort not just replicates the original format but broadens the number of topics addressed. For example, it will selectively look at metropolitan areas and air quality concerns. Climate change and greenhouse gas emissions will be addressed as well. Case studies for particular places and facilities will be included. These will show not only the environmental consequences but also what the economic impacts would be if the waterborne mode was not available.

Part of the report will describe how the Great Lakes St. Lawrence system is evolving, what has happened to mainstay commodity flow patterns and what newer ones are emerging or

could develop. This discussion would lend itself to developing "what if" scenarios which (under certain circumstances) a given amount of existing truck/rail traffic could be diverted to waterborne. As highway congestion grows along with rail and its capacity restrictions, the prospect of incorporating mode shift into public policy is looming.

It is anticipated that the study will be completed by mid 2003. An advisory group has been assembled with representation from each of the following study's funding organizations:

- ◆ Chamber of Maritime Commerce  
American Great Lakes Ports
- ◆ Canadian Shipowners Association  
Lake Carriers' Association
- ◆ Saint Lawrence Seaway Development Corporation
- ◆ The St. Lawrence Seaway Management Corporation

## Chinese Waterway Council Delegation Meets the Great Lakes St. Lawrence Seaway

The Saint Lawrence Seaway Development Corporation hosted a delegation of nine maritime executives from China on November 22, 2002. The focus of this group was the design, construction, maintenance and quality assurance for China's inland waterways. Deputy Administrator Craig Middlebrook provided a briefing to the delegation on the Great Lakes St. Lawrence Seaway System.



Chinese Waterway Project Supervision Delegation visits with the SLSDC staff.



From left - Mr. Wei Liu, Deputy Division Director, General Supervision Station of Construction, Ministry of Communication and Craig Middlebrook, SLSDC, Deputy Administrator.

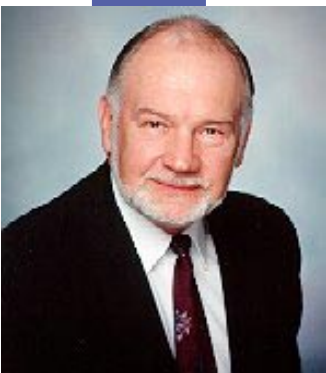
## Maritime Leaders Retire



Guy Véronneau, President and Chief Executive Officer of the St. Lawrence Seaway Management Corporation, which came into existence on October 1, 1998, will retire in March of 2003. Over the years, Mr. Véronneau has held several senior executive positions in operations management and international marketing for leading manufacturing companies.

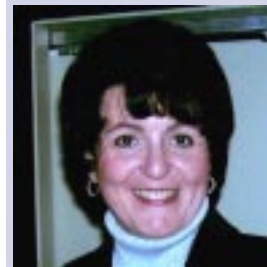


George J. Ryan ended his 20-plus year career as President of Lake Carriers' Association (ICA) on January 15, 2003. He retired as one of the longest serving presidents in the Association's 123-year history. Ryan was appointed President of ICA on January 1, 1983. He previously was Director, Great Lakes Region, Maritime Administration, a position he assumed in 1975 when he opened the Region Office in Cleveland.



Davis Hellberg will retire March 31, 2003, after more than 24 years as Duluth Port Director and 40-plus years in the Great Lakes maritime industry. Mr. Davis, Executive Director of the Duluth Seaway Port Authority since January 1979, is the longest serving Great Lakes port director and second in seniority among U.S. members of the American Association of Port Authorities.

## Saint Lawrence Seaway Development Corporation Personnel Changes



Carol Fenton is the Saint Lawrence Seaway Development Corporation's (SLSDC) new Deputy Associate Administrator in the Massena, N.Y. Operations Office.

Fenton's new post makes her second in command in Massena and principal advisor to Sal Pisani, SLSDC, Associate Administrator. Strategic planning and liaison with varied marine industry groups will be essential aspects of her job, in addition to ensuring the effective day-to-day management of all Massena offices.

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Lori Curran is the SLSDC's new Director of Lock Operations in Massena, N.Y.

"The Director of Lock Operations is one of the most critical

positions in the Corporation," said Administrator Jacques. "I am confident that Lori will fulfill her new responsibilities with distinction."

In this capacity, Ms. Curran will have the authority and responsibility for the direction of lock operations, vessel traffic control, vessel inspection program and the International Organization for Standardization program.

## Winter Work Begins at U.S. Locks



SLSDC crews covering the Eisenhower Lock for the Winter season.



Trades Helper Larry Cheney inspecting and lubricating culvert valve open gears.

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### Marine Days Celebrated

event was the U.S. Coast Guard's 9<sup>th</sup> District whose theme for this year was "Canadian-U.S. Partnership."

Admiral Thomas Collins, U.S. Coast Guard, Commandant appeared as the keynote speaker. Collins described six key elements of the President's maritime security strategy and noted that "awareness of threats and activities in the maritime domain is really the centerpiece of our strategy." He praised action being performed in the 9th District and noted "18 new permanent security zones have been established along the Great Lakes, around critical infrastructure such as locks, dams and our nuclear power plants."

Albert Jacquez, Administrator, Saint Lawrence Seaway Development Corporation, stressed the importance of binational partnership in his joint presentation with the St. Lawrence Seaway Management Corporation (SLSMC) executive vice-president Dick Corfe. "Without complete coordination and cooperation between the two Seaway Corporations, on an

hour-by-hour, day-to-day basis, the gateway to North America could just as easily become a barrier," he said.

Incoming SLSMC President and CEO, Corfe stressed the leading-edge technologies that not only streamline current operations but enhance safety and efficiency while improving business practices on the Seaway. "The new AIS has been fully tested, the land-based equipment has been installed, and shipboard equipment is available to buy or rent from various manufacturers," he said. Mandatory carriage of AIS on commercial vessels on the Seaway from Montreal to Long Point on Lake Erie begins with opening day of the new 2003 season, March 25.

The Cleveland conference also addressed aquatic nuisance species, the Corps' Great Lakes Navigation study, the Marine Transportation System (MIS) initiative, and pilotage issues. The impact of the U.S. Coast Guard moving to the Department of Homeland Security, slated to occur March 1, attracted widespread interest.



Mr. Gerard McDonald, Director General Marine Safety, Transport Canada, explained the importance of U.S. and Canada coordinating efforts to secure our borders.

## Annual Grunt Club Meeting – Montreal, Canada

In recognition of Great Lakes St. Lawrence Seaway System stakeholders, the Saint Lawrence Seaway Development Corporation (SLSDC) hosted its annual reception on December 5, 2002, during the Grunt Club events in Montreal, Canada. More than 100 Seaway Stakeholders representing a cross section of the maritime community attended this annual event.



Left to right – George Robichon, Vice President, FEDNAV; Robert Swenor, SLSMC Board of Directors; and Albert S. Jacquez, Administrator, SLSDC.



From left – Warren McCrimmon, Port Director, Toledo-Lucas County Port Authority; Davis Helberg, Port Director, Duluth Seaway Port Authority; Ray Johnston, President, Chamber of Maritime Commerce; John Baker, President, International Longshoremen's Association; and Phil Winteringham, General Manager, Toledo World Industries Company.



From left – Davis Helberg, Port Director, Duluth Seaway Port Authority and Rebecca McGill, Director Trade Development and Marketing, SLSDC.



From left – Guy Berthiaume, Vice President, Servichem Inc (Quebec) and Richard Corfe, Executive Vice President Saint Lawrence Seaway Management Corporation.

## Upcoming Events

### March

- 3-6 Seatrade Cruise Shipping Convention 2003- Miami Beach, FL  
Contact: (609) 452-9374; e-mail: info@cruiseshipping.net; website [www.cruiseshipping.net]
- 17-19 Shipping 2003 Conference - Stamford, CT  
Contact: (203) 406-0109, email: LParsons@camaconnect.com
- 20 Great Lakes Day: Congressional breakfast and issues briefings - Washington, D.C.  
Contact: Michael J. Donahue (734) 971-9135, e-mail: mdonajue@glc.org
- 25 Opening of the 45th Seaway Navigation Season

### April

- 30- May 1 Shipping Federation of Canada Centennial Conference - Montreal, QE  
Contact: Sophie Balina Brzozowska, (514) 937-5080; e-mail: sophie.brzozowska@sympatico.ca

### May

- 5-7 American Feed Association Expo 2003 - Minneapolis, MN  
Contact: (703) 524-0810; e-mail: agia@afia.org

### June

- 15-17 CSA/LCA - International Joint Conference - Niagara on the Lake, ON  
Contact: Chamber of Maritime Commerce (613) 233-8779; email: info@cmc-cm.com
- 16-18 International Great Lakes Mayors' Conference - St. Catharines, ON  
Contact: Chamber of Maritime Commerce (613) 233-8779; email: info@cmc-cm.com

### July - August

- Tall Ships Challenge Summer - Great Lakes  
Tentative Schedule  
  - June 28 - July 1 - Toronto, ON
  - July 9-13 - Cleveland, OH
  - July 16-20 - Toledo, OH
  - July 30 - August 3 - Chicago, IL
  - August 7 - 10 - Muskegon, MI
  - August 14 - 17 - Bay City, MI
  - August 21- 24 - Sarnia, ON
- Contact: Steven H. Baker (401) 846-1775; e-mail: steve@sailtraining.org

The Saint Lawrence Seaway Development Corporation (SLSDC) is a wholly owned government corporation created by statute May 13, 1954, to construct, operate and maintain that part of the St. Lawrence Seaway between the Port of Montreal and Lake Erie, within the territorial limits of the United States.

The SLSDC Office of Trade Development and Marketing publishes the Seaway Compass bimonthly. Questions, comments, suggestions or submissions for future editions should be addressed to the editor at the following address:

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Note: The SLSDC no longer has a post office (P.O.) box address. Please use the above address for all correspondence with the Seaway Compass.