



ADMINISTRATOR'S
COLUMN



Albert S. Jacquez
SLSDC
Administrator

And So the Season Begins...

The ceremony marking the St. Lawrence Seaway's Welland Canal opening of the 2005 navigation season at Ste. Catharines, Ontario March 23, occurred amid the usual bustle of maritime and local political dignitaries. Talk of what the new season will bring was on everyone's lips, but it also made me think of what we've accomplished.

This opening marked my last full season with the Saint Lawrence Seaway Development Corporation. My organization and our Canadian partner, the St. Lawrence Seaway Management Corporation, have faced many challenges in that time. More importantly,

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M/V Cedarglen Opens Seaway for 2005 Season

Canada Steamship Line's M/V CEDARGLEN, with Captain Stephen Zawacki at the helm and Chief Engineer Ziggy Warias by his side, opened the 2005 navigation season on the Seaway's international section March 25 when their ship entered Eisenhower Lock. There to greet them was the Saint Lawrence Seaway Development Corporation's Director of Operations and Marine Services Lori Curran.



M/V Cedarglen

"We always begin the new navigation season with a brief informal presentation of gifts to the master and mate of the first vessel entering U.S. locks here at Massena," said Curran. "The CEDARGLEN is one of 17 Canadian Steamship Lines (CSL) ships and we're hopeful that this early movement of grain signals a strong year for that staple commodity in the Great Lakes Seaway System."

The CEDARGLEN's last port of call was Windsor, Ontario. The Welland section of the Seaway opened two days earlier. Originally constructed at a Hamburg, Germany shipyard the year the Seaway opened, the CEDARGLEN was known then as the M/V EMS ORE.



Lori Curran, Director of Lock Operations and Marine Services, SLSDC presents plaque to Master, Captain Stephen Zawacki, M/V Cedarglen.

Converted and lengthened two decades later to carry Labrador ore from ports in the Gulf of St. Lawrence to Hamilton steel mills in Ontario, the vessel began its Seaway years in 1979 as the M/V MONTCLIFF HALL. The vessel joined the CSL fleet just three years ago and adopted its current name. The suffix "glen" identifies the company's vessel as bulk carrier, one of five owned by CSL and managed by V. Ships.

The vessel headed downbound towards Montreal traversing Snell Lock before continuing east towards its destination of Quebec City with a load of 20,000 metric tons of soybeans. The ship's dimensions make optimal use of the Seaway locks – 730 feet long ship with a beam of 75 feet – and its 17 hatches and 6 holds can store roughly 27,000 tons at Seaway maximum channel draft.

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

Seaway Compass



Administrator's Column, continued from page 1



Opening day at St. Lambert Lock in Montreal. Left to Right are Albert S. Jacquez, Administrator, SLSDC; Gerry Carter, President, Canada Steamship Lines; Feroze Irani, Captain of the first ship (M/V PINEGLEN) that transited through the Welland lock; and Dick Corfe, President and CEO, SLSMC.

we've met them head-on with impressive results for our customers. Here are just three to ponder.

First, we instituted mandatory carriage on commercial vessels transiting the Seaway of the Automatic Identification System, a revolutionary marine navigation tool that has improved safety, reliability and efficiency for vessels, their crews and cargo. In inclement weather—snow, rain, sleet, fog, high winds, or hail—the ship's crew has at its fingertips data they need to make important and immediate safety decisions.

GUEST COLUMNIST

Richard Corfe, *President and CEO,* *The St. Lawrence Seaway* *Management Corporation*

Reduced Lockage Fees for New Cargo *in the Welland Canal*



What better way to attract new business to a key link on HWYH₂O than to give customers an even better deal on lockage fees?

On March 23, at the beginning of the 2005 navigation season, the St. Lawrence Seaway Management Corporation (SLSMC) reduced lockage fees for “new cargo” on the Welland Canal. The lower fees apply to all “new cargo” - either containers or cargo that has not moved through the Welland Canal in an average annual amount greater than 10,000 metric tons between 2001 and 2003. The reduced rates are calculated on a sliding scale with greater reductions going to smaller ships.

This toll initiative is a result of collaboration between SLSMC and Transport Canada to promote short sea shipping. The aim is to encourage new business for the

Second, we delivered a full service binational Seaway website (www.greatlakes-seaway.com) complete with e-business options, providing one-stop shopping for diverse stakeholders. Whether the interest is news, regulations, publications, or commercial opportunities in real-time, our website is where people go to learn how to do business throughout the region.

Finally, we have been intensely engaged in the 42-month ongoing binational, interagency Great Lakes St. Lawrence Seaway Study that is on-target for completion by next fall and will help determine the System's relevance for decades to come. Its objectives include evaluating the condition and reliability of the System, including the relative benefits and costs of continuing to maintain existing transportation infrastructure.

The U.S.-Canadian partnership is tangible—we are the world's largest trading bloc—and the Seaway is a vital participant. Last year our waterway's cargo tonnage jumped more than 6 percent. I expect 2005 to deliver as much, or better. Expect another excellent season for iron and steel imports (67 percent increase in 2004 vs. 2003) and modest increases in our top two commodities—iron ore and grain. If the latter cooperates in a significant harvest and demand remains strong, we may have the best season since 1998.

Seaway and more short-haul traffic carried by smaller ships. The program ties in well with the HWYH₂O campaign, which aims to increase awareness of the entire Great Lakes St. Lawrence Seaway System and to promote the marine mode as a viable and environmentally friendly alternative to trucking even over relatively short distances.

The new lockage fees are calculated based on a ship's gross registered tonnage. For example, a ship of 23,000 GRT will see a reduction of approximately 15 percent while the reduction will be about 75 percent for a ship of 7,000 GRT. Until now, all vessels, irrespective of size, were paying the same lockage fee.

Any cargo that qualifies as new cargo will remain eligible for the reduction through the 2007 shipping season. A ship carrying more than one cargo will qualify for the reduction if more than 50 percent of its cargo in any transit is classified as new. The reduced rates will apply both to the loaded transit and to the same ship's return transit in ballast.

This new fee structure, the first significant change to our tariff in 20 years, is an excellent first step towards our objective of a market-driven pricing structure. We plan to continue working with Transport Canada to make our tolls more competitive in order to grow the business.

Administrator Testifies to Congress

On March 10, Administrator Albert S. Jacquez appeared as a witness before the House Transportation and Infrastructure's Water Resources and Environment Subcommittee. He presented testimony on behalf of the Seaway's Fiscal Year 2006 budget request, including the Administration's proposal to re-establish U.S. Seaway commercial tolls. The hearing was attended by twenty Members of the subcommittee. The Administrator was questioned about the "double taxation" issue of Seaway tolls, the Harbor Maintenance Tax and about the Seaway's current capacity. He told the committee that the legislation giving the Seaway the authority to begin charging tolls was still being developed and that the Administration was aware of the "double taxation" issue. Shippers currently pay a Harbor Maintenance Tax and the addition of a Seaway toll is viewed by the industry as "double taxation". In response to the capacity question, the Administrator indicated that the Seaway is currently operating at approximately 50 percent capacity.



Witnesses at the House Transportation and Infrastructure's Water Resources and Environment Subcommittee hearing held March 10, 2005, on Agency Budget and Priorities for FY 2006. Pictured left to right are Honorable John Paul Woodley, Jr., Principal Deputy Assistant Secretary of the Army (Civil Works), U.S. Department of the Army; LTG Carl A. Strock, Chief of Engineers, U.S. Army Corps of Engineers; Honorable Glenn L. McCullough, Jr., Chairman, Tennessee Valley Authority; Honorable Bruce I. Knight, Chief, Natural Resources Conservation Service; and Honorable Albert S. Jacquez, Administrator, Saint Lawrence Seaway Development Corporation.

U.S. Department of Transportation Secretary Norman Y. Mineta is the 2005 Port Person of the Year

The American Association of Port Authorities (AAPA), the organization representing public ports throughout the Western Hemisphere, has selected U.S. Secretary of Transportation Norman Y. Mineta as its Port Person of the Year. This is AAPA's most prestigious annual award, honoring an individual whose outstanding work or service has made a significant contribution to public port authorities and/or maritime commerce.

In nominating Secretary Mineta for the award, the Port Authority of New York and New Jersey stated that he "has brought freight transportation to the forefront of the Administration and has been a strong advocate for the port industry." The NY/NJ Port Authority declared

in its nomination that under Secretary Mineta's leadership, "the operating principle is that the (U.S. Department of Transportation) is more than a collection of modal agencies. The policy from the top has examined major transportation needs and developed policy solutions not from a single mode perspective, but from a system perspective."

Kurt Nagle, AAPA President and CEO, said the port's association and its members are pleased to honor Secretary Mineta with this year's distinguished Port Person award. He added, "The port industry appreciates Secretary Mineta's vision and leadership on freight mobility and maritime transportation system issues."

Seaway Robert J. Lewis Pacesetter Awards Winners Announced

The Robert J. Lewis Pacesetter Award is presented by the SLSDC annually to those U.S. Great Lakes ports and terminals that have registered increases in international cargo tonnage shipped through the Seaway. The 2004 presentations mark the 13th year that the award has been given.

The following four U.S. Great Lakes ports and four terminal operators earned the award based upon improved tonnage numbers posted in 2004 over the previous year:

Port/Terminal	Percent Increase
Brown County Port & Solid Waste Department	323
Ports of Indiana – Burns Harbor	96
Detroit/Wayne County Port Authority	15
Cleveland-Cuyahoga County Port Authority	36
Lake Superior Warehousing Company, Inc.	4
Federal Marine Terminals, Inc. (Milwaukee)	58
Hallett Dock Company (Duluth, MN)	172
K & K Warehousing (Green Bay)	155



Robert J. Lewis Pacesetter Award being presented to Brown County Port & Solid Waste Management Department Port of Green Bay and K&K Warehousing Company. Left to right are Carol Kelso, Brown County Executive; Neil McKloskey, President Harbor Commissioners; Chuck Larscheid, Director of Port and Solid Waste Department; Tom Kuber, President K&K Warehousing Company; Craig Middlebrook, Deputy Administrator, SLSDC; and Dean Haen, Port Director, Brown County Port & Solid Waste Department.

Winter Work Was Accomplished

Following the end of the 2003 navigation season, the SLSDC began its annual winter inspection and preventative maintenance program at the two U.S. Seaway locks in Massena, N.Y. Projects included:

Culvert valve inspection and repair: The Mechanical division removed the culvert valve for the downstream north side of Eisenhower lock for inspection and maintenance. The culvert valves control the flow of water into the locks, and each year we remove one for inspection, sandblasting, painting and repairs if necessary. The paint crew quickly sandblasted the valve and prepared it for inspection. Additional heavier plating was added to the exterior of the valve to strengthen it.



The culvert valve is being prepped for additional stiffener support (steel plates).

One of the biggest projects for the Mechanical division was the installation of six new rubber fenders on the outer miter gate, north leaf and the underwater section on the south leaf of Eisenhower Lock. The fenders protect the gates from any damage as the ships pass through

the locks. The job entailed the removal of the old timbers (wooden) and replacing them with new rubber fenders. The old mounting brackets had to be removed, new ones fabricated and installed. Extensive crane, rigging and staging was needed to accomplish the work. Additionally new timbers (wooden) were installed on the inner side of the miter gate.

Core sampling of concrete for next year's work: The building and grounds crew were busy this winter, taking 51 samples of concrete in preparation for next winter's concrete work. The samples are used to determine the condition of the concrete in vital areas of the lock. Working over the side of the lock in man baskets, the crew drilled into the walls of the lock and removed 3 inch by 30 inch samples of concrete to be sent out for testing.

And last but not least, the electrical crew was busy wiring and installing a new public address system for lock recesses. The need to notify work crews in the lock of an emergency situation was a much needed safety improvement. Thousands of feet of wire and numerous speakers were installed in critical areas of the lock structure.

Administrator Hosts Winter Maintenance Tours

Administrator Jacquez hosted tours of the Eisenhower Lock for individuals to observe the Seaway Corporation's winter maintenance activities. Elected officials participated on February 1 and a tour for local media representatives was held the next day. Winter maintenance is a critical aspect of the SLSDC's operations and part of our responsibility to ensure the safety and integrity of this vital infrastructure. Participants descended 45 feet underground to get an up close view of the lock. The tours provided a rare opportunity to see the type of maintenance work that occurs during the winter months.



Administrator Jacquez and Director of Engineering Tom Lavigne (wearing white helmets) brief journalists during interviews with North County media representatives while standing in the dewatered Eisenhower Lock.

Update on the Great Lakes St. Lawrence Seaway Study

A report (Report on Stakeholder Engagement) has recently been released which details the methodology of the stakeholder engagement process, identifies the groups and individuals that participated in the stakeholder meetings, and documents stakeholders' comments and views tabled in the formal presentations and the written submissions.

The Great Lakes St. Lawrence Seaway Study Teams are currently undertaking a detailed analysis of the issues and themes outlined in the Report. They will endeavor to address those areas that have direct bearing on the work of the study and to explain or clarify how specific issues and themes are being integrated as part of the study's multidimensional approach.

Check out <http://www.gsls-study.com/meetings.html> to view the Report on Stakeholder Engagement.

Cruise Ship Marketing Efforts 2005



Stephen Burnett (in the middle), Executive Director, Great Lakes Cruising Coalition, Lisa Marciniak, (in the white shirt) Public Affairs Officer, Duluth Seaway Port Authority, and Ray Schreckengost, (far right) Executive Director, Erie-Western Pennsylvania Port Authority promote the Great Lakes Seaway System during the exhibition.

A delegation of U.S. and Canadian stakeholders participated in the Annual Seatrade Cruise Shipping Convention and Exhibition held in Miami FL., March 14-18, 2005. This marked the fifth consecutive year the Saint Lawrence Seaway Development Corporation, the St. Lawrence Seaway Management Corporation, and the Great Lakes Cruising Coalition co-hosted an informational booth.

The delegation's goal for participating in Seatrade was to promote the Great Lakes Seaway System as a cruising destination and offer our technical expertise for operating a cruise ship in the Seaway System. Each member reached out to individuals that visited the booth and reinforced the premise that the Great Lakes Seaway System continues to be recognized as one of the safest destinations for cruise ships and a comfortable environment for travelers that are seeking vacation options closer to home.

Our participation in Seatrade exceeded all expectations this year. Countless numbers of visitors stopped by the booth to collect information about the Great Lakes and its many port destinations. Productive meetings took place throughout the week with current and potential customers. Our booth was also visited by representatives from several cruise ship lines including: Holland America, Windstar Cruises, Celebrity Cruises, Carnival Cruises, Seaborne Cruise Line and many other cruise related businesses.

Our stakeholders walked away from Seatrade 2005 with a feeling of accomplishment. American Cruise Lines (ACL) announced during one of our meetings that it would like to bring a new cruise ship into the Great Lakes Seaway System in 2007. ACL shared their plans with us, to develop a fleet of modern state of the art small cruise ships for the intimate cruise experience. Charles Robertson, Chairman and CEO, and Laura Oncea, Business Development Manager, expressed their excitement during the meeting by stating that ACL is definitely heading for the Lakes.

It's Cruising Time – Ten Reasons Why the Great Lakes Make a Great Cruise Destination

By Dave Knight, Program Manager, Great Lakes Commission

1. **Scenery** – Some of the most impressive vistas of the North American mid-continent can be found along the shores of the Great Lakes.
2. **Security** – At a time when security weighs a bit more prominently on everyone's minds, the Great Lakes offer a safe domestic alternative to the global traveler. While on the Lakes, a cruise ship is always in either U.S. or Canadian waters, and thus under the constant jurisdiction of the U.S. and Canadian Coast Guards. There is no need for a passport or other documentation typically needed for overseas travel.
3. **Hospitality** – On board Great Lakes cruise ships, crews are consummate professionals, highly trained to provide four-star service. Since cruise ships in the Lakes are relatively small, crews can get to know their passengers and cheerfully attend to any special needs.
4. **Discovery** – One common feature of almost all Great Lakes cruises currently available is enrichment programming. Market research has shown that passengers interested in cruising the Great Lakes have a strong desire to learn more about the region and its uniqueness.
5. **Intimacy** – In the Great Lakes, the largest cruise ship has a capacity of 400 and most of the others are in the range of 100 or less. This allows for more personalized service on board, a quieter, more peaceful cruise experience, and the opportunity to meet fellow passengers and not get lost in a crowd.
6. **Novelty** – For veteran travelers and people who have taken cruises around the world, the Great Lakes represent a new destination, one that has remained virtually unknown in the modern era until recent years.
7. **Proximity** – There is no more centrally located cruise destination in North America. Within the Great Lakes basin itself is a resident population of 30 million people, but the region is also only a couple of hours plane ride from the East Coast, the West Coast and the Gulf. The region is served by international airports in all its major markets.



Nantucket Clipper

8. **History** – Nowhere is the rich history of the Great Lakes region more visible than on the Lakes themselves and in their port communities. Cruise passengers travel on routes first taken by Native Americans and later by European fur traders, missionaries, military flotillas and explorers. In the northern reaches of the Lakes, many of these routes remain undeveloped and appear just as they did to the “Voyageurs” centuries ago.
9. **Diversity** – The diversity makes a cruise on the Great Lakes a fascinating journey that might combine the eclectic, multicultural urbanism of such great cities as Chicago, Detroit, Toronto, Cleveland, Toledo and Milwaukee with the unblemished wilds of Georgian Bay or the boreal forest of Lake Superior's north shore.
10. **Majesty** – People who have never seen the Great Lakes are typically amazed at the scale of this singular natural resource. From a geographic perspective alone, the Great Lakes Seaway System is unique in the world. The Great Lakes cover over 95,170 square miles of water surface, about 61,000 in the U.S. and 34,000 in Canada, and defines a 10,000-mile coastline, which is longer than the entire U.S. Atlantic seaboard.

Seaway Personnel Changes



Michael J. Donohue

On February 28, Dr. Michael J. Donohue, long-standing president and CEO of the Great Lakes Commission (GLC), stepped down from his post to accept a position in the private sector as vice president of URS Corporation, a global consulting firm.

During his tenure with the Commission, Mr. Donohue presided over a period during which the Commission grew dramatically in size and capabilities, and assumed a central role in policy research and development as well as regional coordination, advocacy, and resource management.

Nineteen-year veteran, Tom Crane, manager of the Great Lakes Commission's Resource Management Program, has been appointed interim director by the Commission's Board of Directors. Mr. Crane has led the Commission's decision to support initiatives for water resources management, and has designed and implemented programs addressing point and nonpoint source pollution.



Tom Crane

Upcoming Events

May

May 23-27

IAGLR's 48th Annual Conference on Great Lakes Research
Ann Arbor, MI
Info: Tom Johengen (734) 764-2426

May 25-27

2005 Annual Conference of the International Association of Great Lakes and St. Lawrence Mayors
Chateau Frontenac Hotel
Quebec City, QC
Info: (418) 523-3055; maires2005@qvc.qc.ca

May 31

Chamber of Maritime Commerce Annual General Meeting
Port of Montreal
Montreal, QC
Info: Joanne Shields (613) 233-8779

June

June 7-8

Great Lakes Fishery Commission Annual Meeting
Niagara-on-the-Lake, Ontario
Info: www.glfc.org

June 9

SODES Annual General Meeting
Info: Marc Gagnon (418) 648-4572; MarcG@portquebec.ca

June 9-10

The Strategy Institute National Transportation Summit 2005
International Centre
Toronto, ON
Info: (416) 944-8833; registration@strategyinstitute.com

June 9-11

IJC 2005 Great Lakes Conference and Biennial Meeting
Kingston, Ontario
Info: www.ijc.org

June 15-16

7th Annual Canada/New England Cruise Symposium
Halifax, Nova Scotia
Info: acsl@bellnet.ca

June 20-22

Transportation Security of the Americas Conference 2005
Wyndham Bristol Place – Toronto Airport
Toronto, ON
Info: Pina Lagrotteria (905) 629-0007 x 25

June 22-24

SecurePort 2005 – Western Hemispheric Port Security Conference and Trade Exhibition
Miami, Florida
Info: www.secureport2005.com

Upcoming Events

July

July TBA

AGLP/IAGLP Joint Summer Meeting
Washington, DC

Info: Steve Fisher (202) 625-2102; safsaf@aol.com

July 7-8

GLRC Collaborative Group Summit I Meeting
Duluth, MN

Info.: <http://www.epa.gov/greatlakes/collaboration/meetings.html>

August

August 25-28

Hamilton Port Days 2005
Hamilton Port Authority

Info: Brent Kinnaird (905) 525-4330;
bkinnaird@hamiltonport.ca