



# 2010 & 2011 Annual Report

**Maritime Administration**



## Maritime Administration at a Glance

Established:	1950
Headquarters:	1200 New Jersey Avenue, SE Washington, DC 20590 <a href="http://www.marad.dot.gov">www.marad.dot.gov</a>
Fiscal year 2010 Budget:	\$1.226 billion
Total Employees (2010):	838
Headquarters (Including Gateways):	560
U.S. Merchant Marine Academy:	278

Fiscal year 2011 Budget: \$1.214 billion

Total Employees (2011):	838
Headquarters (Including Gateways):	560
U.S. Merchant Marine Academy:	278 <sup>1</sup>

Mission: To improve and strengthen the U.S. marine transportation system, including infrastructure, industry, and labor, to meet the economic and security needs of the Nation.

Industry Outlook: The U.S. waterborne transportation industry has been in a period of renewal with major changes in trade, fleets, and employment.

*Cover – “Any Given Day” Photo Collage of Maritime Administration (MARAD) Employees and Agency events and activities.*

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<sup>1</sup> Funding and staffing levels represent the actual data submitted in the President’s Budget for MARAD direct funding and staffing levels as well as funds administered by MARAD which were not directly appropriated to the agency and reimbursable staff. A comprehensive summary of all MARAD funding sources is provided on page 56.

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## NOTABLE ACCOMPLISHMENTS AND MILESTONES

October 2009	Deputy Secretary John D. Porcari announces plan to clean up Suisun Bay Reserve Fleet (SBRF) 3rd Annual Women on the Water Conference held at Maine Maritime Academy
January 2010	U.S. Merchant Marine mobilized for Haiti earthquake relief 6 Maritime Administration (MARAD) ships activated for relief duty in Haiti
March 2010	Transportation Secretary LaHood releases Capital Investment Report of U.S. Merchant Marine Academy
April 2010	MARAD Announces \$14.7 Million in Grants to Help Small Business Shipyards
May 2010	Industry representatives, MARAD and U. S. Department of Transportation (DOT) employees, and U. S. Merchant Marine Academy (USMMA) personnel celebrate Maritime Day at DOT Headquarters
June 2010	USMMA Graduates Class of 2010
July 2010	SBRF Cleanup Ahead of Schedule
August 2010	Secretary LaHood announces America's Marine Highway Corridors, Projects and Initiatives
September 2010	Secretary LaHood announces \$7 Million in grants to jumpstart America's Marine Highway Initiative
October 2010	James River Reserve Fleet Achieves 'Full Conformance' for the Environmental Management System Groundbreaking Ceremony for Guam Port-Expansion Project
November 2010	Environmental Protection Agency awards bronze medals to 2 members of MARAD's environmental team for their study of low sulfur fuel use in U.S. coastal waters 4 <sup>th</sup> Annual Women on the Water Conference, Texas Maritime Academy
December 2010	Three additional obsolete ships—the SS <i>Bay</i> , SS <i>Dawn</i> and USNS <i>H.H. Hess</i> —towed from the SBRF, the 14th, 15th and 16th ships to leave since October 2009
February 2011	First West Coast ship recycler opens on Mare Island near Vallejo, CA
March 2011	Cargo Preference agreement reached with U.S. Department of Energy Vessel calls at U.S. Ports up 13 percent Merchant Marine Medal for Outstanding Achievement awarded to over 700 merchant mariners for their humanitarian response to the 9.0 magnitude earthquake in Japan
April 2011	2 <sup>nd</sup> Annual National Port Summit in Chicago, IL
May 2011	Maritime Day presentation of posthumous awards to the family of Richard Oliver Kelleher
June 2011	USMMA Graduates Class of 2011
July 2011	U.S. Postal Service launches postal stamps honoring America's merchant marine
August 2011	MARAD awards \$9.98 Million in grants to small shipyards
September 2011	26 <sup>th</sup> obsolete vessel removed from the SBRF Panama Canal Expansion Study and America's Marine Highway Listening Sessions held in California and New York

# A MESSAGE FROM THE SECRETARY

Ray LaHood

As the steward of the Nation's transportation system, the U.S. Department of Transportation is committed to maximizing the benefits of intermodal transport to meet the challenges of the future. With a population growth of an additional 100 million people projected over the next 40 years, the United States must leverage the social, economic, environmental, and security efficiencies of a fully-integrated network of diverse methods of transport. Improving the marine transportation system and connecting it more fully to the other components of the transportation system lie at the heart of these efforts.

From the very start of this Administration in January 2009, the U.S. Department of Transportation has focused on transportation policy goals that improve public health and safety, foster livable communities, ensure that transportation assets are maintained in a state of good repair, support the Nation's long-term economic competitiveness, and work to achieve environmental sustainability. The Department also has historically been a strong advocate for a world-class Marine Transportation System, and understands that efficient water transportation relies on well-maintained navigational shipping channels and harbors that receive both systematic and market-driven attention.

In 2010, we awarded funding for the successful Transportation Investments Generating Economic Recovery (TIGER) Grant program, investing \$1.5 billion in the first round of TIGER projects that promise to achieve critical national objectives by improving our infrastructure and making communities more livable and sustainable.

Seven TIGER I Grants were awarded to maritime projects, including three in rural areas, for a total of nearly \$120 million. In 2011, we were able to award 6 more maritime grants under TIGER II, for a program total of \$200 million.

These projects, as well as other MARAD initiatives, will provide lasting improvements to our Marine Transportation System and to the Nation's transportation network as a whole.

# A MESSAGE FROM THE MARITIME ADMINISTRATOR

David T. Matsuda

The Maritime Administration (MARAD), an agency of DOT is responsible for improving and strengthening the U.S. marine transportation system in order to meet the economic, environmental, and security needs of the Nation. MARAD's oversight responsibilities encompass shipbuilding, port operations and vessel operations, as well as the ships and mariners of the U.S. merchant marine.

In 2010, the Maritime Administration began to focus more heavily on the future of the maritime industry, while maintaining the versatility and preparedness that epitomize the character of this vital industry. In June 2010, when I was honored to begin my tenure as the Maritime Administration's new administrator after serving as deputy and acting administrator, one of the major tasks we faced was the lingering environmental challenge posed by the fleet of 57 obsolete government ships that had been moored for decades in Suisun Bay, California. After years of inactivity, our agency is once again moving to recycle these ships, creating jobs in the ship recycling industry, and reinvesting ship sale proceeds in our maritime education programs.

In fiscal year 2011, MARAD continued to spark job growth in the maritime industry through its Assistance to Small Shipyards Program and Marine Highways Grant Program, distributing a total of \$17 million both to improve shipyards across the country and enable the growing use of America's waterway resources. We conducted large-scale studies into the expected effects of the 2014 Panama Canal expansion, the feasibility of using clean Liquefied Natural Gas (LNG) to power vessels, the costs of U.S.-flag shipping versus foreign-registered ships, and the future of the Great Lakes merchant fleet. We continued to lead the global effort to improve our environment by dedicating our third ballast water technology test platform and conducting large-scale testing of renewable fuels. And we continued to address the growing threat of piracy through education, training and international outreach.

This annual report outlines the activities of MARAD in these areas and highlights other major accomplishments. It also satisfies the statutory requirements for a report to Congress on the Cargo Preference Program, the Maritime Guaranteed Loan Program (Title XI), and admiralty suits.

## EXECUTIVE SUMMARY

The Maritime Administration is strengthening our Nation's maritime transportation system. MARAD employees:

- **Promote the maritime industry by making significant strides in new areas such as America's Marine Highways and Port Infrastructure Investment.**

The Maritime Administration is actively engaged in providing consultation, technical assistance, contractor performance oversight for several major port development and port expansion projects. The Administration promotes the efficient use of our waterways through the Marine Highway Grant Program, and administers 13 TIGER grant projects that total more than \$200 million to improve seaport infrastructure. Also, MARAD facilitates the development of innovative energy transportation projects such as licensing new deepwater ports off the Nation's coasts. At the same time, MARAD's nationwide system of Gateway Offices provides MARAD's leaders and policy makers with on-the-scene insight from mariners and stakeholder communities.

- **Support shipbuilding and repair in U.S. shipyards through Title XI Loan Guarantees and small shipyard grants.**

The Maritime Administration helped to sustain the maritime industrial base by approving nearly \$23 million in loan guarantees in Fiscal Year (FY) 2010, and awarding \$14.7 million in direct grants to foster efficiency, competitive operations, and quality ship construction, repair, and reconfiguration in small shipyards. In fiscal year 2011, the Title XI loan guarantees grew to nearly \$798 million in loan guarantee commitments, and MARAD awarded another \$9.98 million to small shipyards.

- **Improve the environment by recycling obsolete ships, combating invasive species and testing biofuels.**

In 2010, MARAD broke the ship-disposal regulatory gridlock in California by removing 11 obsolete ships from the National Defense Reserve Fleet at Suisun Bay (SBRF). A total of 26 ships were removed by the end of FY 2011–6 ahead of schedule. A third MARAD-sponsored facility was added for testing ballast water treatment technologies with the dedication of a new testing barge for the Maryland Environmental Resource Center in the Chesapeake Bay. And, in cooperation with the Navy, U.S. Coast Guard, and U.S. Environmental Protection Agency, MARAD began large-scale testing of a new generation of renewable fuel manufactured from algae.

- **Study current industry trends and upcoming changes to better prepare for the future.**

These efforts include detailed studies on the future of shipping on the Great Lakes, impediments to flagging in the U.S. registry, and the effects on U.S. ports of the Panama Canal's expansion. We also began a collaborative effort with the Navy to design a next-generation, militarily-useful marine highway vessel that can be built in U.S. shipyards.

- **Assess ship and port security, and train crews to improve security and assist in the fight against piracy.**

In conjunction with Military Sealift Command and the Naval Criminal Investigative Service, MARAD deployed assistance teams to visit U.S.-flag merchant ships in port to assess physical security vulnerabilities and to recommend best practices against piracy. Additionally, MARAD subject-matter experts advised the U.S. Department of Homeland Security in awarding funds through the Port Security Grant Program to strengthen homeland security preparedness.

- **Respond to national, environmental or natural emergencies through our maritime experts, the Maritime Command Center and our Nation's Ready Reserve Force.**

When a devastating earthquake struck Haiti in January of 2010, American seafarers aboard vessels of the U.S.-flag fleet and MARAD's Ready Reserve Force provided emergency relief through Operation Unified Response. Not long afterward, the U.S. merchant marine was called to service in the wake of the Deepwater Horizon drill rig explosion in the Gulf of Mexico, which claimed 11 lives and caused what is considered the largest accidental marine oil spill in the history of the industry. MARAD identified available U. S.-flag vessels, processed Jones Act waivers, and monitored recovery efforts from our Maritime Command Center. Also, MARAD worked to preserve our national sealift capacity for use during such emergencies by engaging industry and Federal partners to resolve policy differences concerning cargo preference requirements.

- **Educate the next generation of mariners.**

MARAD continues to invest in the physical plant and academic programs the U. S. Merchant Marine Academy at Kings Point by addressing serious financial and infrastructure issues, enhancing oversight and governance, and streamlining the hiring of key personnel. To ensure the future of the industry, MARAD, the State maritime academies, and several maritime groups partner in producing events such as the annual Women on the Water Conference. This preeminent conference series provide female cadets with an opportunity to learn about career opportunities in the maritime industry, as well as to meet female leadership in the industry.

- **Collaborate internationally on trade and infrastructure development.**

In the Yangtze-Mississippi Strategic Cooperation Forum and U.S.-China Bilateral Consultation in October 2010, the Maritime Administrator led a U.S. Government delegation to China to participate in a forum on inland river transport and bilateral consultations to advance U.S. maritime interests in our economic relations with China. And the July 1, 2011, U.S.-E.U. Memorandum of Cooperation established a mechanism for a regular exchange of information, ideas, best practices, integration of intelligent transportation technologies, and success stories related to marine highways.



## HELPING AMERICAN COMMERCE

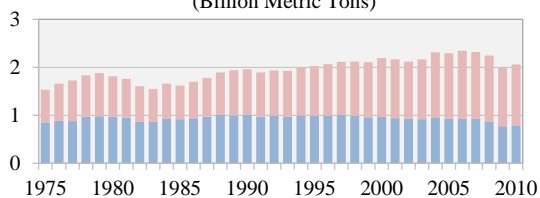
### Industry Overview

The U.S. water transportation industry serves the needs of both foreign and domestic commerce. It includes companies that carry freight or passengers on the open seas or inland waterways, offer towing services, charter vessels, and operate canals and terminals.

### Waterborne Trade and the U.S. Fleet

In 2010, U.S. waterborne commerce amounted to nearly 2.1 billion metric tons, foreign commerce making up 62 percent of the total (FIGURE 1).<sup>2</sup> In the mid-1990s, domestic and foreign trade were each about 1 billion metric tons. By 2010, foreign trade had increased to 1.3 billion metric tons while domestic trade had fallen to 0.8 billion metric tons due largely to import substitution in the oil trade.

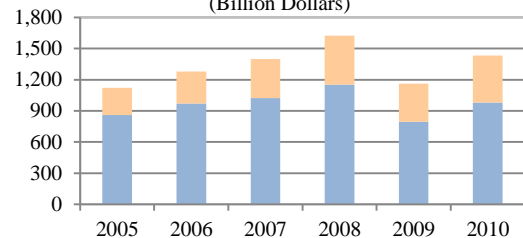
FIGURE 1. U.S. Waterborne Commerce, Foreign and Domestic, 1975-2010 (Billion Metric Tons)



U.S. foreign trade has increased, as a percentage of the overall trade, in 12 of the last 15 years (or since 1995).

Sources: Domestic Trade—U.S. Army Corps of Engineers, *Waterborne Commerce of the United States*; Foreign Trade—Bureau of Census, Foreign Trade Division, *TQ985-1975-2010 U.S. Waterborne Exports and General Imports*

FIGURE 2. U.S. Waterborne Trade, 2005-2010 (Billion Dollars)



In 2010, exports accounted for 32 percent of U.S. waterborne trade (\$), up from 23 percent 5 years earlier. Source: Bureau of Census, Foreign Trade Division, *TQ985-1975-2010 U.S. Waterborne Exports and General Imports*.

The U.S.-flag fleet carries all of our domestic trade<sup>3</sup>, and about 2 percent of our foreign trade. Under the Jones Act, U.S. domestic trade is reserved for vessels registered under the U.S.-flag and built or reconstructed in the United States. As of year-end 2010, 39,869 U.S. privately-owned vessels were available for operation in U.S. foreign and domestic trades (TABLE 1).

Table 1. U.S.-Owned Fleet by Segment, 2010

	Barges							Total
	Ocean	Lakes	Tugs	Dry	Tank	Offshore	Ferries	
U.S.-Owned	720	48	5,807	27,278	4,699	685	632	39,869
U.S.-Flag	193	48	5,807	27,278	4,699	517	632	39,316
Jones Act	97	48	5,807	27,278	4,699	517	632	39,224
Foreign Trade	96	0	0	0	0	0	0	96
Foreign-Flag	527	0	0		0	168	0	695

Notes: Year-end fleets. The U.S. privately-owned fleet consists of vessels operated under U.S. and foreign flags. Ocean/Lakes—vessels of 10,000 DWT or greater.

Sources: Ocean and Offshore—Clarkson Research, Vessel Register; Tugs and barges—U.S. Army Corps of Engineers, Vessel Detail files.

All inland and coastal vessels (tugs, barges, ferries and lakes vessels) in the U.S.-flag fleet had Jones Act trading privileges. Of the U.S.-owned ocean vessels, about 27 percent (193 vessels) were registered under the U.S.-flag, and 13 percent (97 vessels) had Jones Act trading privileges.

<sup>2</sup> Source available at <http://www.ndc.iwr.usace.army.mil/wcsc/pdf/wcusnat110.pdf>.

<sup>3</sup> The domestic trades include cargoes moved on the oceans (including trade between the 48 contiguous states and Alaska, Hawaii, Puerto Rico and Guam), along the coasts, on the inland waterways and the Great Lakes. These trades are protected by Section 27 of the Merchant Marine Act of 1920. Section 27, otherwise referred to as the “Jones Act,” reserves marine transportation of freight and passengers to U.S.-built, maintained, documented, owned, and crewed vessels.

Of the 527 U.S.-owned, foreign-flag vessels, 97 percent (509 vessels) were under open registries. The terms “open registry” or “flag-of-convenience” refer to the business practice of registering a merchant ship in a state different from that of the ship owner. Ships are often registered under flags of convenience to take advantage of less-stringent regulatory schemes. In 2010, about 80 percent of the world oceangoing fleet was under open registries.

## Contribution to Gross Domestic Product

For the period 2000-2010, the water transportation industry’s contribution to gross domestic product or value added (gross output less the cost of intermediate inputs) was \$15 billion, up 81 percent from 10 years earlier (TABLE 2). The primary components of value added – labor compensation and gross operating surplus – increased by 82 percent and 77 percent, respectively. Over the same period, the return on assets (operating surplus/assets) increased from 11 percent to 18 percent, spurring investment in new vessels.

TABLE 2. U.S. Water Transportation Gross Output by Components, 2000-2010  
(Billion Dollars)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Output	27.6	27.7	27.0	28.3	30.7	30.5	30.9	34.4	37.6	35.4	35.9
Value Added	8.1	8.2	7.4	8.2	8.3	8.9	11.7	12.8	14.3	14.4	14.7
Labor	3.4	3.6	3.7	3.9	4.2	4.7	5.1	5.5	6.4	6.1	6.2
Taxes Less Subsidies	0.8	0.6	0.5	0.7	0.1	0.5	0.5	0.7	0.9	0.8	1.0
Operating Surplus	4.0	4.0	3.3	3.7	4.0	3.7	6.1	6.6	7.0	7.6	7.5
Intermediate inputs	19.5	19.5	19.6	20.1	22.4	21.7	19.2	21.6	23.3	20.9	21.2
Energy inputs	4.6	3.9	4.3	5.3	7.7	9.1	7.3	10.1	11.1	7.0	9.4
Materials inputs	1.7	1.7	2.1	1.9	1.7	1.3	1.4	1.9	1.8	1.8	1.2
Purchased-services	13.3	13.9	13.2	12.9	13.0	11.2	10.5	9.7	10.4	12.1	10.6
Assets	37.2	36.2	36.4	36.4	37.1	37.7	39.5	40.0	41.0	40.7	41.1
Operating Surplus/Assets % <sup>4</sup>	10.7	11.0	9.1	10.2	10.8	9.8	15.4	16.5	17.1	18.7	18.2
Employment 000s	56.0	54.0	52.6	54.5	56.4	60.6	62.7	65.5	67.1	63.4	62.8
Seafarers <sup>5</sup>	23.7	23.1	20.0	22.5	22.7	29.4	32.4	34.5	31.7	32.8	32.2

Source: U.S. Bureau of Economic Analysis, Gross Domestic Product by Industry Accounts, www.bea.gov.

## Foreign Transfers

Under authority provided in 46 U.S.C. § 56101 and § 56103, the Maritime Administration reviews and approves the transfer to foreign ownership and/or registry of vessels 1,000 gross tons and over. During FY 2010, 42 transfers were approved, and in FY 2011, 80 transfers were approved. In FY 2010, 14 vessels were scrapped abroad: 10 were scrapped in India, one in Canada and three in China. For FY 2011, 12 vessels were scrapped abroad: 10 were scrapped in India, 1 in China and one in Pakistan. The Environmental Protection Agency is notified of vessel transfer requests prior to MARAD granting approval. Vessels of 3,000+ gross tons transferred to foreign ownership and/or registry are subject to Maritime Administration approval for any subsequent transfer of ownership and/or registry; such vessels are required to remain available for U.S. Government requisitioning, if needed. In these reporting periods, MARAD collected a combined total of \$18,885 in fees for processing applications for foreign transfers and similar actions.

## Industry Investment

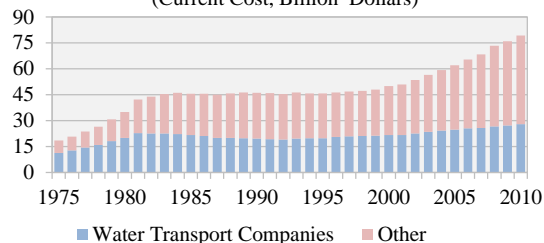
<sup>4</sup> Indicates the percentage profit generated for each \$1 in assets held by the water transportation service industry.

<sup>5</sup> The increase in seafarers, and in U.S. water transportation employment in general, from 2004 to 2006, was directly correlated to the growth in U.S. and global trade over the same period, and coincided with a growth in the U.S. privately-owned fleet. During the recession in 2007-2008, U. S. carriers began removing vessels from service, leading to a decline in seafarer employment.

For the period 2000-2010, the value of U.S.-flag water transportation vessel assets increased by 77 percent, the highest 10-year growth of the last 30 years (FIGURE 3). During this period, carriers invested nearly 49 billion dollars in new vessel assets including 38 ocean vessels, 850 tugs, 1,677 double-hull tank barges, 8,372 dry cargo barges, and 221 offshore supply vessels. The investments were largely to replace vessels built during the expansion of the late 1970s.

In 2010, water transportation companies accounted for 35 percent of the vessel fixed assets, compared to 44 percent 10 years ago. Other vessel-owning companies include oil companies, water transport support companies, financial intermediaries and leasing companies.

FIGURE 3. U.S. Water Transportation Vessel Assets, 1975-2010 (Current Cost, Billion Dollars)



For the period 2000-2010, the value of U.S.-flag water transportation vessel assets increased by 77 percent, the highest 10-year growth of the last 30 years.

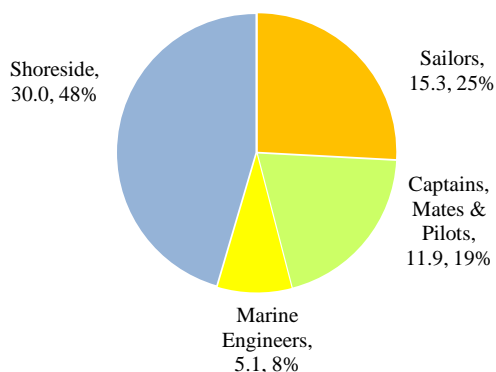
Source: Bureau of Economic Analysis, Fixed Asset Accounts.

### Growing Employment

Although new vessel assets generally require less manpower than those they replace, the new technologies they employ have created new markets for marine transportation services. For example, dynamically-positioned supply vessels were built to service the expanding deepwater oil exploration

sector, and the vessels they replaced are now used to move products in the coastwise trade. Furthermore, employment in water transportation extends beyond the vessel to shore-side logistics and support, port services, and shipbuilding and repair. In 2010, water transportation and related industries accounted for about 250,000 employees (FIGURE 4), comprised of roughly 62,000 for water transportation, 90,000 for port services, and 97,000 for shipbuilding and repair. Of those employed in water transportation, about 32,000 were seafarers. Another 41,000 seafarers were employed by government and other industry sectors such as offshore oil and gas drilling, and port services.

FIGURE 4. Water Transportation Employment by Occupation, May 2010 (Thousand Employees)



In 2010, seafarers accounted for over 50 percent of water transportation employment.

vessels in service (though underutilized) in the short-term than incur vessel lay-up and reactivation costs. Of course, if waterborne trade does not recover in the long-term, marginal vessels will eventually be laid up and/or scrapped and seafarer employment will likewise decline.

The recession and slow recovery contributed to a 5 percent decline (2007-2010) in seafarer employment. In contrast, U.S. waterborne trade was down by 12 percent over the same period. This suggests that as demand for water transport services falls, service providers would rather keep

### Conclusion

The U.S. water transportation industry has been in a period of renewal with major changes in trade, fleets, and employment. Recent investments in water transportation assets have been tied to long-term customer commitments which have integrated water transportation with production and distribution processes, improved service to customers, and stabilized growth in seafarer employment and earnings.

## America's Marine Highway Program

On August 11, 2010, U.S. Transportation Secretary Ray LaHood identified 18 marine corridors, 8 projects, and 6 initiatives for further development as part of America's Marine Highway Program. The Maritime Administration made available \$7 million in grant funding for these projects through the Marine Highway Grant Program, and has funded an additional \$102.8 million in marine highway projects in fiscal years 2010-2011 through DOT's TIGER program. America's Marine Highway Program renews the Nation's awareness of the capacity of her waterways, and develops ways that they can serve international and domestic freight and passenger transport needs.

Increased use of waterways that parallel congested land corridors inspires the creation of new jobs, and the design and construction of new vessels. It also provides resiliency and added safety to the transportation system, and benefits the environment by reducing air emissions and the consumption of petroleum products. It is our goal to add maritime services as a routine link in domestic logistics plans.



Marine Highway Corridors, Connectors and Crossings designated by Secretary of Transportation Ray LaHood in August 2010.

Developing projects within the Marine Highway Program requires an innovative, multifaceted approach involving both financing and coordination. Through a competitive interagency process, the Department of Transportation granted \$6.2 million to State agencies in FY 2010 for 3 container-on-barge services: Brownsville, TX, to Manatee, FL; Hampton Roads, VA, to Richmond, VA; and Itawamba, MS to Mobile, AL. We anticipate that these projects will create new employment for U.S. crews on U.S.-flag vessels as well as new maritime jobs for stevedores, ports, and intermodal service providers, such as

short-haul truck and rail operators. The M-64 service between Hampton Roads and Richmond, VA has demonstrated how state, Federal, local, and private partners can develop and grow marine highway services by leveraging minimal resources from several different entities. Cargo volumes on the service have grown by over 400% since its inauguration due to the marketing efforts of the Virginia Port Authority, increased service frequency, tax incentives provided by the State of Virginia, and a complete logistics package created by the service provider. The Ports of Brownsville and Manatee are in the final stages of negotiating a new agreement with a Jones Act carrier to re-establish the M-10 marine highway service between those two ports. The modification and construction of new barges needed to support and expand these services will be performed in U.S. shipyards. Finally, the Department also funded three feasibility studies totaling \$800,000 for potential intermodal marine highway services along the U. S. West Coast, East Coast and the inland rivers.

Formalizing the Marine Highway Program through designations and funding encourages other government and private sector stakeholders to incorporate marine highways into their logistics planning. Further, these designations bring together planners from different jurisdictions to explore ways to reduce freight congestion and related impacts on the environment.

Throughout FY 2011, the agency continued to focus on developing innovative partnerships between State, Federal, local, and private partners to make these projects successful and sustainable. This has included leveraging state and local incentives to incentivize shippers to utilize those services, and reaching out to domestic and international stakeholders. Strengthening partnerships between State departments of transportation, carriers, metropolitan planning organizations, ports, foreign governments, and others will bring greater efficiency and overall success to the expanded use of marine highways within the Nation's transportation system.

Domestically, MARAD conducted corridor workshops in San Francisco, CA and New York, NY focusing on identifying barriers and targeting markets with the greatest potential for success of a marine highway system along the M-5 and M-95 corridors. We continued this dialogue at the first America's Marine Highways regional roundtable, held in Brownsville, TX, on April 26, 2011, where we worked with representatives from five Gulf Coast States and Mexico to build a local coalition interested in adding efficient, environmentally-sustainable capacity to the congested I-10 freight corridor.

Internationally, MARAD reached out through the North American Short Sea Shipping Steering Committee. In 2011, the committee adopted a strategy to identify congested border crossings and to promote marine highway services as a solution. We also engaged our European counterparts, resulting in a Memorandum of Cooperation (MOC) signed with the European Union's Ministry of Transport on July 1, 2011. The initial follow-up workshop, held in November 2011, provided an opportunity to exchange information, ideas, best practices, ways to integrate intelligent transportation technologies, success stories, and views on short sea shipping objectives and policies. The workshop also provided an opportunity to share information and concerns on the development of marine highway services and the potential for LNG technology to change the operational cost structure for services.

Along with these efforts, MARAD's Office of Marine Highways and Passenger Services continues to encourage service development and creative solutions to barriers as they are identified.

## **America's Ports**

### **National Port Summit**

On February 4-5, 2010, DOT hosted the first National Port Summit in San Diego, CA, where more than 150 port directors and staff participated in a two-day conference, culminating in a town hall-style meeting with Transportation Secretary LaHood. The summit recommended that DOT develop a national port and freight strategy to integrate the Nation's port system into the overall transportation system, remove impediments to the development of marine highways, and establish the Secretary's Port Advisory Council.

The summit was the first time a Secretary of Transportation has met with the Nation's port directors to discuss the development issues facing this transportation sector.

In response to recommendations from the National Port Summit, MARAD established the Secretary's Port Advisory Council. This council is linked to the newly reestablished Marine Transportation System National Advisory Council (MTSNAC) and held its first meeting during the first quarter of fiscal year 2011.

The Second Annual National Port Summit, held in Chicago, IL, on April 21, 2011, drew more than 100 port directors, senior port staff, and other members of the Maritime community. The participants provided important input regarding critical issues facing U.S. ports and potential national transportation policy responses. The recommendations were provided to the MTSNAC's Port Subcommittee which has made several recommendations to the Secretary on how to improve port infrastructure throughout the country. The Secretary also encouraged participants to write their congressional representatives to share the same concerns and recommendations.



Maritime Administrator David T. Matsuda addresses the first annual National Port Summit meeting at the Port of San Diego, California, on February 4, 2010.

### **Port Infrastructure Programs**

The Maritime Administration's mission to improve and strengthen the U.S. marine transportation system and meet the economic and security needs of the Nation includes the upkeep, maintenance, modernization, and repair of the Nation's marine transportation system infrastructure. Development issues, such as increased land value, competing land uses, funding challenges, and access in urban areas, can constrain economic growth if not addressed. The consequences of these delays include a slower supply chain, increased costs to consumers, and decreased transportation efficiency.

Marine transportation is now a system of systems — an integrated network, not just within the United States, but around the world. It must operate seamlessly. Taking full advantage of America's wealth of waterways, the Marine Transportation System requires vessels of all kinds suited to all kinds of cargo. It requires an advanced network of ports and terminals, fleets of trucks, rail cars and barges to carry these goods to the customer. As part of the overall marine transportation system our Nation's ports tie together all transportation modes to move goods for economic benefit and strategic needs. In order to ensure that ports meet requirements placed on them a number of federal assistance programs have been

developed. These programs include assistance to specific ports and discretionary grant programs administered on a competitive basis.

### **The American Recovery and Reinvestment Act of 2009 (Recovery Act) and the Transportation Investment Generating Economic Recovery (TIGER) Grant Program**

As a result of the recession of 2008, ports, marine terminals and shipyards saw reductions in their customer base and revenues. The Recovery Act and TIGER grant programs were created to provide an increase in Federal assistance and, in the case of ports and shipyards, provided significant grant funding for the first time. The Maritime Administration was asked to administer grants for ports and shipyards to foster infrastructure development to meet national goals, including job growth and investment. The Recovery Act provided \$100 million for the Small Shipyard Grants program, which enabled 70 shipyards to invest in equipment and repairs to increase the productivity and efficiency of their facilities allowing them to better compete in the global economy. To date, of the 70 grants that were provided to small shipyards, 66 are fully complete and 4 more are underway or substantially complete.

Two additional provisions under the Recovery Act provided funds to invest in ports. Under the Highway Infrastructure Investment provision, each State was authorized to invest in highways and ports. Several States directed funds to ports, and MARAD was asked by Oregon and Ohio to oversee 3 port investment projects: In Oregon, the Port of Portland allocated \$9.1 million to upgrade infrastructure at their Terminal 6, which provided funds for the rehabilitation of a container crane and extension of the crane rails. Ohio provided funding for the Toledo-Lucas County Port Authority and the Columbiana Port Authority, with a combined total of nearly \$17 million to upgrade facilities and purchase cranes. All of these projects were successfully completed and are providing benefits through increased cargo handling efficiency.

## MARITIME ADMINISTRATION TIGER GRANTS



2009, 2010 and 2011 Federal Ports & Maritime TIGER Grants

A separate program, TIGER, provided \$1.5 billion for discretionary transportation grants in FY 2009. On February 17, 2010, Secretary LaHood announced 51 projects to share in the TIGER funds, including seven port projects—at a value of nearly \$129 million. Ports in Maine, Rhode Island, Illinois, Mississippi, California, Alaska, and Hawaii received support for modernization efforts. These funds are being used to purchase new equipment, upgrade facilities, expand infrastructure, and improve port efficiency. To date many of these projects are either complete or nearing completion. The Green Trade Corridor project has seen increased interest in their Marine Highway Corridor service that will start operations in the coming months; Hawaii Harbors has allowed their original tenant, ACT, to reopen the Pier 29 facility that is now reducing container truck traffic in the downtown Honolulu area; and the Port of Gulfport is seeing a reduction in travel time for container rail traffic to and from their facility since tracks repairs have been completed.

On October 20, 2010, Secretary LaHood announced 42 capital construction grants totaling nearly \$600 million as a continuation of the U.S. Department of Transportation’s popular TIGER program for major infrastructure projects ranging from highways and bridges to transit, rail, and ports.

Under TIGER II, the Maritime Administration is administering 6 projects that total nearly \$85 million, matched by regional public and private funds. These TIGER grants improve seaport infrastructure and help obtain equipment, and are a significant source of assistance focused on improving efficiencies for the movement of freight on marine highways. These grants will also help U.S. exporters compete in the world market. MARAD is using both headquarters and Gateway Office field staff to oversee and manage the successful completion of these projects. Even though not completely finished, these grants are already having a positive impact on the transportation system. For the 133 mile rail rehabilitation



project in Coos Bay Oregon, a new customer, Seneca Sawmill Company, was able to take advantage of the rail line. Until recently the mill was still trucking its products to market. Now a better option is seen in the rail line. After four years with no business, the Coos Bay Rail Link is moving up five rail cars a day for Seneca Sawmill, sometimes 10, which represents a significant reduction in transportation costs.

### **Port Development and Expansion Programs: Alaska, Guam, and Hawaii**



Port of Anchorage, Alaska

During 2010, MARAD continued working with its port partners to improve and strengthen gateway port facilities. The Maritime Administration and Alaska's Port of Anchorage are working to complete the north extension phase of the port's marine-terminal redevelopment, part of the facility's overall Intermodal Expansion and Modernization Project. This effort is vital to Alaska's water-dependent economy because 85 percent of all goods consumed by Alaskans move through the Port of Anchorage.

The Maritime Administration also is working on two other Pacific Rim port facility projects. In Hawaii, initial work on Pier 2A at Kawaihae Harbor on the "Big Island" of Hawaii has begun and a draft environmental assessment has been published. The water-dependent nature of Hawaii necessitates development of a modern and efficient marine transportation system to meet consumer needs, and MARAD's expertise plays a critical role in this process.

In May 2008, MARAD signed a Memorandum of Understanding with the government of Guam and the Port Authority of Guam to upgrade the port for the expected expansion in trade after the redeployment of military forces in the Pacific theater. The first phase of the port-improvement effort is being funded by the U.S. Department of Defense (\$50 million). This project will expand port capacity, provide much-needed upgrades for an aging port facility, and stimulate Guam's economy.

The marine transportation industry and its shore-side connections via ports have always been global in nature, and they remain critically important to sustain the United States' global involvement and investments. This is important for economic competitiveness in peacetime and vital to national security in time of war or other national emergency. The Maritime Administration is dedicated to the health of the American maritime industry – its ships, ports, and people.

### **Port Conveyance Program: Capacity Expansion**

Surplus Federal properties, when made available to local port authorities for port development purposes, serve an important role in expanding the capacity of the Nation's marine transportation system and building our economy. Since the inception of the Port Conveyance Program, approximately 2,700 acres of surplus Federal property has been conveyed to eligible State and local governmental entities for the purposes of port infrastructure development, port expansion, and economic growth and development.

During fiscal year 2010, MARAD conveyed nearly 13 acres of an Orange, TX, Navy Reserve Center to the Orange County Port and Navigational District; and in fiscal year 2011, MARAD conveyed 9 acres of a Navy & Marine Corps Reserve Center to the Port of Tacoma in Tacoma, WA, as well as 60 acres of

the Naval Computer and Telecommunications Station on Rough and Ready Island to the Stockton Port District in Stockton, CA.

### **Energy Development: Deepwater Ports**

Under the Deepwater Port Act (33 U.S.C § 1504), MARAD is responsible for processing applications from private energy companies to own, construct, and operate deepwater ports off the Nation's coasts.

During fiscal year 2010, MARAD evaluated five deepwater port license applications, participated in public outreach hearings in support of the licensing process, and authorized the construction and operation of two LNG deepwater port facilities in the offshore waters of Tampa, FL and Mobile, AL. The Port Dolphin Energy Deepwater Port will be located 28 miles offshore from Tampa and will service energy consumers in the central and western regions of Florida. The TORP Terminal's Bienville Offshore Terminal project, originally planned for construction and operation 62 miles offshore of Mobile, AL, was subsequently terminated and the application withdrawn from MARAD's licensing process.

MARAD evaluated and processed one deepwater port license application during fiscal year 2011. This proposal calls for the construction and operation of the Liberty Natural Gas deepwater port to be located approximately 16 miles off the coast of Asbury Park, NJ, and 25 miles from Rockaway, NY.

### **The Marine Transportation System National Advisory Council**

In fiscal year 2010, MARAD, in collaboration with DOT, re-established the Marine Transportation System National Advisory Council (MTSNAC) to advise the Secretary of Transportation on MTS issues, paying specific attention to the expansion and development of the Nation's marine highway and port system through its marine highway subcommittee and the Secretary's Port Advisory Council.

The MTSNAC is designed to provide an industry stakeholder and academic perspective to departmental policies that affect efficient and environmentally friendly waterborne freight and passenger movements. The Secretary will rely on the council to provide him with guidance on developing a national freight policy and integrating water into the overall transportation system. MTSNAC, under its latest charter, held its inaugural meeting in October 2011.

### **Industry Advocacy and Outreach**

#### **National Export Initiative and International Outreach**

In support of the President's National Export Initiative, MARAD works on behalf of U.S. constituencies to open foreign markets to American exports of goods and services. These advocacy efforts are undertaken on an as-needed basis as well as through regular consultations with trading partners with the greatest potential for expansion of U.S. maritime-related exports.

#### Vietnam

In fiscal year 2010, Maritime Administrator David Matsuda led bilateral consultations with Vietnam under a market-opening agreement concluded in 2007. The U.S. delegation included representatives from the Federal Maritime Commission, Department of State, the Trade and Development Administration, and the private sector.

In those consultations, MARAD pursued several issues limiting the ability of U.S. shipping companies, terminal operators, and traders to profit from new commercial opportunities in Vietnam. These include licensing restrictions, customs clearance delays, and the need for modernized port and logistics infrastructure.

The U.S. and Vietnamese delegations also discussed multilateral issues of mutual concern such as piracy, maritime-related environmental protection, security issues affecting both cargo and seafarers, and cooperation on vessel tracking in Southeast Asia.

### European Outreach

In June 2010, the Maritime Administrator spoke on U.S. maritime transport policies at a conference organized by the Danish Maritime Authority: “Meeting the Challenges for Global Shipping: Policies and Strategies.” In his presentation, he identified links between the President’s National Export Initiative and DOT’s strategic goals for maritime freight transportation: helping U.S. industries compete globally, creating jobs and economic growth; and reducing energy usage, carbon emissions and the adverse livability impacts on affected communities. Administrator Matsuda also met with officials of the Port of Rotterdam to discuss its role as the busiest European port, as well as both U.S. and Dutch interests in expanding the use of short-sea shipping.

In July 2011, MARAD signed a new Memorandum of Cooperation (MOC) with the European Union (EU) on short-sea shipping. European Commission and EU member states have significant experience developing short-sea shipping, and related intermodal links, as a means to improve transportation efficiencies and reduce greenhouse gas emissions. The MOC presents opportunities to share learning experiences and opens the possibility of new areas of U.S.-EU cooperation in maritime transportation.

### **Gateways and Stakeholder Outreach**

The Maritime Administration has a staff presence in 10 of the largest ports on the West, East, and Gulf Coasts, as well as the Great Lakes and inland waterways: San Francisco and Long Beach, CA; New York, NY; Chicago, IL; Houston, TX; Norfolk, VA; Miami, FL; New Orleans, LA; St. Louis, MO; and Seattle, WA. MARAD’s Gateway Offices use their local knowledge, experience, and stakeholder relationships to identify issues, best practices, and opportunities to advance the marine transportation system. These offices act as liaisons and bring DOT and MARAD expertise to the table when working with local stakeholders. The Gateway Offices also work with public- and private-sector participants to better understand the connections among improved cargo flow, economic vitality, community livability, and environmental sustainability.

### **National Ocean Council**

The Maritime Administration played a significant role in representing DOT in the working groups that made up the President’s Ocean Policy Task Force. The task force issued comprehensive final recommendations now embraced in Executive Order 13547, Stewardship of the Ocean, Our Coasts, and the Great Lakes, dated July 19, 2010. This Executive Order establishes a National Ocean Council that is responsible for implementing a new national ocean policy.

Departmental programs, most of them MARAD oriented, will be affected by the new governance structure for planning and conducting off-shore activities. In particular, MARAD initiatives — National Defense Reserve Fleet (NDRF)/ Ready Reserve Force (RRF), marine highways, deepwater ports, and port-development — will require consideration in the regional, coastal and marine spatial plans mandated by the Executive Order. Since July 2010, MARAD has been actively engaged with the Office of the Secretary of Transportation commencing implementation of the Executive Order on a DOT-wide basis.

## U.S.-Flag Waterborne Domestic Trade

U.S.-flag vessels are an established mainstay of America's national transportation system, providing essential freight and passenger services to almost all States and territories.



To encourage a strong U.S. Merchant Marine for both national defense and economic security, the Jones Act (46 U.S.C. § 55101 and 46 U.S.C. § 55102) requires that merchandise being transported by water between U.S. points (i.e. cabotage trade) must travel in U.S.-built and U.S.-citizen owned vessels that are registered in the United States. These Jones Act vessels handle a combined total of over 1 billion tons of cargo annually, mostly bulk products such as petroleum, coal, iron ore, grain, crushed rock and decorative stone with high-value containerized products dominating the U.S.-flag domestic trade to Alaska, Hawaii, and Puerto Rico. The U.S.-flag domestic cargo fleet supporting this massive inland and coast-wise ocean trade is made up of nearly 40,000 vessels (mostly tugs and barges) that represent over \$48 billion in private investment.

Transportation of passengers is also an important component of domestic trade. In calendar year 2010, a total of 232 ferry operators based in 38 U.S. states and territories transported an estimated 50 million passengers, generating an estimated \$0.98 billion in revenue.<sup>6</sup> Domestic waterborne transportation also contributes billions to the U.S. economy in the form of freight and passenger revenue, and millions of dollars of government revenue in the form of Federal, State, and local taxes.

### Maritime Administration Assistance to Shippers

The Maritime Administration helps the shipping public comply with the Jones Act by locating U.S.-flag vessels that can carry domestic cargo, and advises the U.S. Customs and Border Protection (Customs) — which has direct responsibility for enforcing the Jones Act — on the suitability of waivers.

In 2011, assisting the Department of Energy drawing down the Strategic Petroleum Reserve (23 Jun — 31 Aug), our staff identified U.S.-flag coastwise qualified vessels that could transport petroleum products. We also facilitated the Jones Act waiver process, set up a public website on waiver procedures, and provided briefing material, record keeping, and analysis as required.



### Small Passenger Vessel Waiver Program

46 U.S.C. § 12121, authorizes MARAD to administratively waive the U.S.-build requirements of the Jones Act for foreign-built small passenger vessels carrying no more than 12 passengers for hire. To grant such waivers, MARAD must determine that

utors, conducted by the Research and innovative Technology  
ion Statistics. Available at <http://www.bts.gov/programs/ncfo/>.

employing the vessel in the coastwise trade will not adversely affect U.S. vessel builders or the coastwise trade business of any person who employs vessels built in the United States. MARAD granted 68 waivers in FY 2010 and 94 in FY 2011.

### **Launch Barge Program**

While the Administration supports the use of U.S.-flag qualified vessels in all circumstances, on rare occasions the launch of an exceptionally large oil rig or offshore platform may require the use of a foreign-built launch barge.

Therefore, 46 U.S.C. § 55108 allows the Maritime Administration to review and make determinations allowing the use of foreign-built launch barges under very exacting circumstances, including timely requests (21 months in advance). There have been no waivers issued to date under the new program.



### **Anchor Handling Waiver Program**

As with the Launch Barge Program, MARAD is authorized to make determinations under 46 U.S.C. § 501 allowing the use of foreign anchor handling vessels, used to position mobile offshore drilling units). If no U.S.-flag vessels are available, and if the companies that want to use foreign vessels have contracts in place to bring in replacement U.S.-flag vessels, then MARAD may grant a waiver. This specialized program only applies to operations in the Beaufort Sea and Chukchi Sea adjacent to Alaska. Since the provision was passed in 2006, MARAD has issued decision letters allowing 3 foreign-flag vessels into service for a limited length of time.

## **MARAD Studies**

### **U.S.-Flag Great Lakes Fleet Revitalization Study**

In its role as advocate for America's maritime industry, MARAD took on the challenge of assessing the impact of new environmental regulations on the U.S.-flag Great Lakes fleet. The fleet is a vital part of the region's economy, carrying an average of 100 million tons of cargo annually over the last 6 years.

The study included stakeholder outreach meetings, a study of private-and public-sector investment options for any necessary improvements to vessels, an inventory of Great Lakes vessels and port infrastructure and an assessment of the region's waterborne freight transportation needs. Policy options will be developed based on that assessment. The study is still undergoing an extensive review process. Release is anticipated in early fiscal year 2013.

### **Panama Canal Expansion Study**

During fiscal year 2010, the Department of Transportation and MARAD commissioned a comprehensive study of the Panama Canal Expansion project to assess the potential changes in trade patterns resulting from an expanded Panama Canal, formulate projected impacts on the Nation's ports, waterways, and intermodal freight systems, and present policy recommendations to optimize Federal investment decisions.

The study is being conducted in four clearly defined phases and includes a robust outreach program designed to guide and inform the study analysis and ultimately verify study results. The outreach program consists of a rigorous peer review process that will be applied to each phase of the study, one-on-one interviews to be conducted with key executives from the maritime and transportation industries, a shipper

survey that will be distributed to thousands of international companies and a series of nationwide listening sessions to engage Federal, State, and local government representatives and other stakeholders.

During fiscal year 2011, MARAD conducted two general public listening sessions in San Francisco, CA, and New York, NY. Both sessions allowed supply-chain stakeholders, port operators, and governmental entities to join MARAD in enlightening discussions regarding the expansion effort and how the expansion might affect their respective economic interests. Nearly 200 maritime and trade associations, port authorities, governmental agencies and other industry leaders participated in these interactive and informative sessions. Looking forward, MARAD will continue executing its remaining outreach program activities into the next fiscal year. It is anticipated that the overall study effort will conclude by early fiscal year 2013.

### **Study on the Impediments to U.S.-Flag Registry**

Many of the challenges facing the operators of U.S.-flag ships today are due to operating costs that are approximately three times higher than the global maritime fleet average. For this reason, MARAD initiated a study in fiscal year 2010 that obtained the viewpoints of U.S. owners of U.S.-flag and foreign-flag oceangoing vessels engaged in global maritime transportation. The study identifies and evaluates their perceptions of the incentives and disincentives associated with placing a commercial vessel under U.S. registry. Completed in FY 2011, the study provides an in-depth, structured, and explicit analysis of registry issues that allows MARAD to monitor the changing trends within the industry.

### **Dual-Use Vessel Design Study**

A cooperative effort is under way between the U.S. Navy and MARAD. This three-phase project focuses on developing Dual-Use Vessels that will serve commercial marine highway markets and support national defense needs. Preliminary designs were completed in fiscal year 2011. The next step is to socialize the designs among prospective ship owners, shipyards and investors in order to determine if there is sufficient support in the market to maximize the potential for ship construction. The final phase of the project will identify a series of options to finance, construct and operate dual-use vessels as a public-private partnership. The study will also analyze the long and short-term benefits, costs, and associated risks for each party associated with each option.

### **Cargo Preference**

Cargo preference law supports a strong and visible U.S.-flag fleet by requiring certain government-impelled, ocean-borne cargo in international trade to be transported by U.S.-flag vessels. Our mission is to work with the other Federal agencies to promote this U.S.-flag foreign trade. On a daily basis, the cargo preference program monitors compliance with cargo preference laws through a series of official and unofficial agreements with a wide array of agencies impelling government cargo, such as the Departments of Defense, State, Commerce and their operating components.

Cargo preference activities generate, on average, over 15 million revenue tons of cargo annually, or approximately \$1.52 billion of ocean freight revenue for the 95 U.S.-flag vessels engaged in international transportation (as of August 2011). The U.S. merchant fleet fostered by the cargo preference program helps sustain U.S.-citizen mariner jobs, as well as other freight transportation-related jobs shore-side.

In a typical year, Department of Defense (DOD) cargoes represent about 55 percent of these shipments; food aid is about 30 percent, and other Agencies such as the Export-Import Bank, State Department, and

Federal Transit Administration total about 15 percent. These cargoes represent from 7 percent to more than 50 percent of each U.S.-flag ocean carrier's annual revenues and are vital to retaining vessels under U.S.-flag registry.

### **MARAD Analysis and Assistance to the Department of Defense**

The Maritime Administration maximizes the use of U.S.-flag vessels through partnerships with the Military Surface Deployment and Distribution Command (SDDC) for containerized cargo, and Military Sealift Command (MSC) for break-bulk cargo. Specifically, MARAD reviews ocean shipment bids and foreign-flag vessel waiver requests, in each case working with DOD schedulers and others to make optimal use of available U.S.-flag assets as is required by law and regulation. Without MARAD assistance, much of this cargo would move aboard foreign-flag vessels.

#### Surface Deployment and Distribution Command (SDDC)

When cargo cannot be booked using existing rates and/or services, SDDC issues a request for proposed rates and services referred to as a One Time Only (OTO). In fiscal year 2010, SDDC issued approximately 100 OTO awards representing over \$6.7 million in cargo revenue. MARAD's assistance in reviewing bids to resolve flag issues was requested 41 times. In fiscal year 2011, SDDC again issued approximately 100 OTO awards representing over \$13 million in cargo revenue, and MARAD assisted in reviewing bids to resolve flag issues 35 times.

In FY 2011, MARAD also began assisting SDDC in reviewing cargo preference exemption requests for DOD household goods moves. The Maritime Administration reviewed over 420 requests based on non-availability, and was able to locate available U. S. flag carriers for over 105 of the moves.

#### Military Sealift Command (MSC)

In support of MSC, MARAD reviewed dozens of DOD break-bulk and petroleum shipments in a similarly expedited manner, ensuring that the U.S.-flag fleet was used to the greatest extent possible.

MARAD's assistance to military contractors and shippers has increased the percentage of military cargo preference compliance. Activities promoting cargo preference laws resulted in over 90 percent compliance with respect to DOD dry cargo carriage in fiscal year 2011.

Total U.S.-flag revenue for military cargo shipments was \$1.8 billion in FY 2010 and \$2.0 billion in fiscal year 2011. Much of this cargo was related to military operations in Iraq and Afghanistan.

#### Marine War Risk Insurance Program

MARAD is authorized to provide hull, liability and life insurance for vessel operations considered to be in the interest of the national defense or national economy and for which commercial insurance is not available on reasonable terms and conditions. MARAD may issue (1) insurance for which a risk-based premium is charged and (2) non-premium insurance for vessels under charter operations for the Military Sealift Command, and for which MARAD is indemnified for any losses by the U.S. Navy.

During fiscal year 2011, MARAD did not write any premium-based war risk insurance and wrote a total of \$436.5 million in non-premium war risk coverage for six companies on six vessels. As of September 30, 2011, there are no pending marine war risk claims. There is approximately \$45 million in the Marine War Risk Insurance Fund to reimburse operators covered by premium insurance. The Department of Defense has indemnified MARAD for any claims arising under non-premium insurance.

## STRENGTHENING SECURITY

### Ready Reserve Force (RRF)

The RRF provides surge sealift capacity for the military to move equipment quickly in support of contingencies. Because the primary purpose of the RRF is DOD support, the RRF is funded through the National Defense Sealift Fund, a DOD program, via interagency agreement. In 2011, DOD reviewed the 48-ship program and concluded that the RRF's commercial-defense character is the most efficient service-provider model.

### Activations

The following RRF vessels were activated in FY 2010 for Operation Unified Response, providing Haiti Earthquake Relief: *Gopher State*, *Wright*, *Cape May*, *Cornhusker State*, and *Petersburg*. *Wright* was activated for Exercise Carolina Hornet, the largest U. S. Marine Corps' amphibious exercise held in many years. Two high speed ferries (*Alakai* and *Huakai*) held under MARAD receivership were also activated as part of Operation Unified Response.

In addition, the *Cape Texas* and *Flickertail State* were activated in May for approximately three weeks for the Large Vessel Interface (LVI) cargo boom test off Panama City, FL. These vessels stayed under MARAD Operational Control throughout the operational period. In addition to vessel activations for exercises or operations, "Turbo Activations" test a vessel's readiness, and include a three-day sea trial upon activation. Turbo activations have also been used as a means to relocate Fast Sealift Ships (FSS) to a new layberth. Turbo activation funds are provided from the NDSF via interagency agreement, in addition to the funds provided for the RRF.

The following vessels were Turbo Activated in FY 2010:

<u>Vessel</u>	<u>Turbo Activation</u>
<i>Cape Edmont</i>	TA 10-03
<i>Cape Flattery</i>	TA 10-03
<i>Pollux</i>	TA 10-04
<i>Cape Knox</i>	TA 10-05
<i>Cape Texas</i>	TA 10-05
<i>Capella</i>	TA 10-05

During FY 2011, three RRF ships were activated for DOD missions, for a total of 269 ship-days. *Curtiss* supported Exercise Pacific Horizon II; *Wright* supported a Canadian special operations exercise; *Cape Trinity* supported movement of cargo for operations in Iraq. Another 26 vessels were activated for readiness testing and to prove completion of vessel maintenance.

### Breakout Exercise

An annual Breakout Exercise is conducted to test the procedures and coordination necessary for a major activation of MARAD's Ready Reserve Force (RRF), including the ability of Navy reservists to support a major RRF all-ship activation, and the ability of commercial mariners to provide adequate skilled crews. In April 2010, approximately 96 percent of the personnel provided by the unions to man all sealift MSC ships were confirmed to be ready for deployment. In June 2011, 98 percent were able to deploy.

### Maintenance

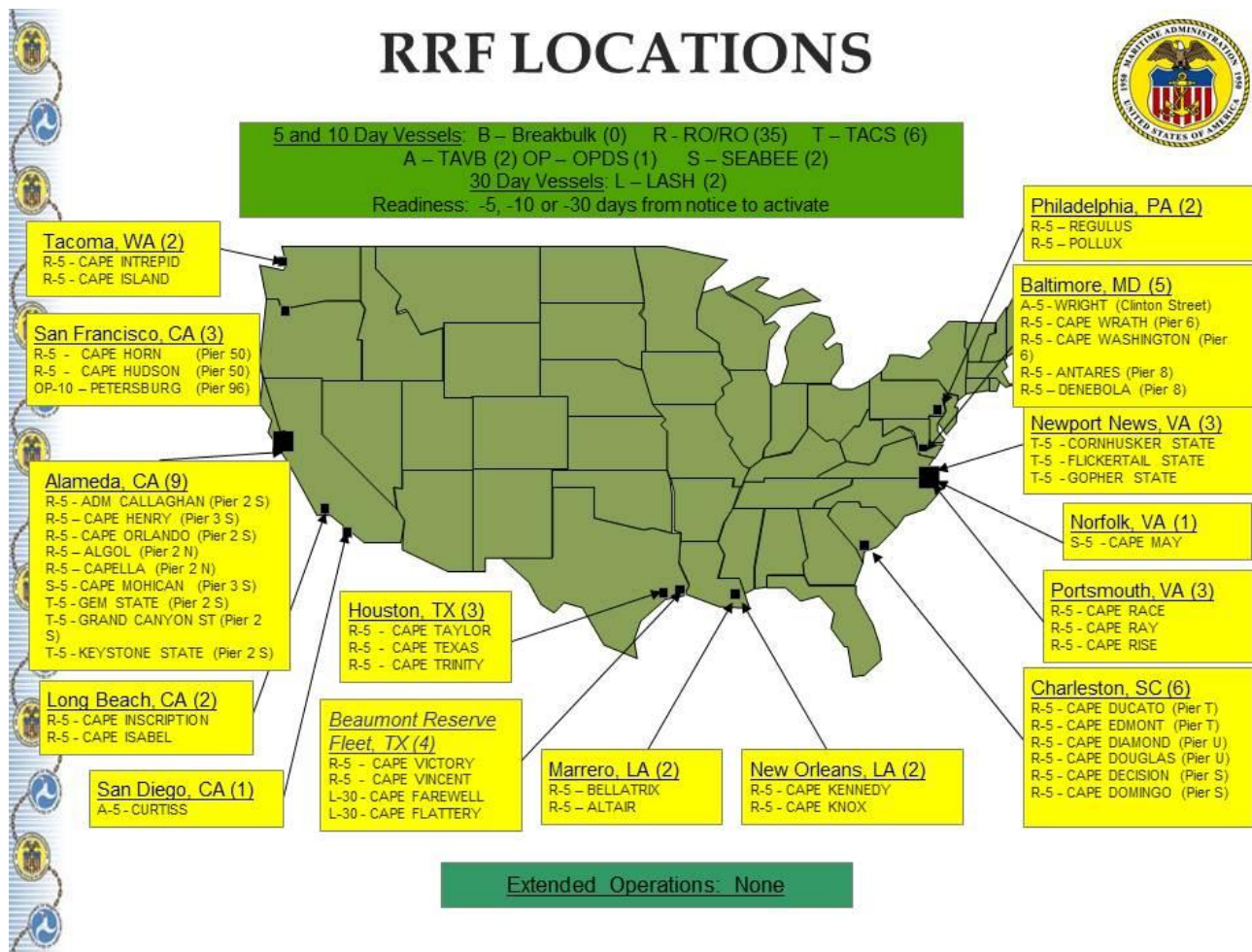
The Agency expends approximately \$100 million annually maintaining and repairing the fleet at U.S. ship repair facilities. In addition, life cycle maintenance is also done on the RRF to extend asset life, costing an additional \$14 million in 2010 and almost \$30 million in 2011. These funds are



invested directly into U.S. shipyards, marine repair companies, and associated industries. The ships' commercial mariner crews provide further maintenance that continues during the year. Good maintenance helps to reach the program goal of 85 percent readiness, which was exceeded at 90 percent in 2010 and 90 percent again in 2011. Readiness is measured in mission ready ship-days, accumulating the readiness days of all the RRF ships. The 90 percent means ship availability was at 16,098 ship-days in 2010 and 15,989 ship-days in 2011.

## Outporting

44 RRF vessels were kept in reduced operating status at 16 commercial layberth facilities in the U.S (the remaining 4 were berthed at anchor). Port facility operators received almost \$30 million for their services.



In fiscal year 2011, MARAD initiated negotiations to award a contract to design and build a new Beaumont Reserve Fleet Layberth Facility. When constructed, the facility will open an area on the east bank of the Neches River to industrial support, providing an economic boost to this low-income location.

## Maritime Command Center

The Maritime Command Center (MCC) monitors ship activations and emergent world events. In fiscal years 2010 and 2011, the MCC supported several major operations. A 7.0-magnitude earthquake struck

Haiti on January 12, 2010. MARAD began monitoring conditions and events that day in support of Operation Unified Response. On April 29, 2010, MARAD again activated the MCC to support the response to the *Deepwater Horizon* oil spill. Personnel from MARAD monitored events continuously through September 6, 2010, providing daily situation reports to senior leadership.

On March 11, 2011, MCC watchstanders monitored the situation when the 9.0-magnitude earthquake struck off Japan. All available vessels were put on stand-by, ready to assist. In August 2011, Hurricane Irene struck the East Coast of the United States creating devastation moving north. The MCC acted as a bridge for data inputs and issued situational briefs that were used by senior leadership and the White House. Five watch members received the Secretary of Transportation's Outstanding Achievement Gold Medal award for assistance during Hurricane Irene.

### Missile Defense Agency Ships

Two converted RRF ships, *Pacific Collector* and *Pacific Tracker*, are funded by the DOD Missile Defense Agency (MDA) via interagency agreement. In fiscal year 2011, they were activated four times to track missile and high altitude aircraft flights. The vessels remained on-station with no difficulties. While the vessels are owned by DOT/MARAD as part of the NDRF, all costs for maintenance, repair, operation, and management oversight are reimbursed by the Missile Defense Agency.

The director of MDA's Test Resources Directorate, David W. Furtwengler, particularly commended the *Pacific Collector* crew, and reminded them that without their "efforts the data that is vital in the development of an effective missile defense system could not have been collected. The high standards of seamanship demonstrated while maneuvering your vessel and in navigating the *Pacific Collector* during this important mission have contributed to the Nation's security and MDA's ability to make missile defense a reality."

### National Defense Reserve Fleet (NDRF) Anchorages

#### Ship Disposal

The Maritime Administration is committed to disposing of obsolete vessels in its National Defense Reserve Fleet (NDRF) anchorages. In 2010, the inventory of ships shrank from 196 to 185 vessels, with the fleet anchorage inventory reduced from 129 to 123 ships,<sup>7</sup> due primarily to SBRF disposal departures. At year's end, 31 vessels were maintained in a retention status for emergency sealift, interim hold, fleet support, and logistic support because the ships were needed for those purposes. The Fleet anchorages also maintained 26 vessels in a custody status for other government organizations such as the Army, Navy, National Oceanic and Atmospheric Administration (NOAA), and the U.S. Coast Guard (USCG). The disposal actions, combined with appropriate ship maintenance practices, have helped reduce the number of vessels considered to be in poor condition from 23 to 13, and have increased the average vessel condition (3.66 to 3.82 on a 5-point scale).

During 2011, the inventory of ships further shrank to 163 vessels, with the fleet anchorage inventory reduced to 101 ships, again due primarily to vessel disposals. At year's end, 35 vessels were maintained in a retention status for emergency sealift, interim hold, fleet support, and logistic support. The Fleet anchorages also maintain 21 vessels in a custody status for other government organizations such as the

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<sup>7</sup> The NDRF inventory includes all MARAD-owned vessels: retention/non-retention vessels at anchor in NDRF anchorages, RRF vessels berthed at various ports, and school ships on loan to the State Maritime Academies. The fleet anchorage inventory includes only NDRF ships at the anchorages, plus vessels belonging to other government organizations, but maintained at NDRF anchorages.

Army, Navy, NOAA, and USCG. As of September 30, 2011, there were 59 ships in non-retention status awaiting disposal.

### **Training Support**

The MARAD's three area divisions—Atlantic Operations, Gulf Operations, and Pacific Operations—provided promotional use, touring, and training aboard assigned NDRF and RRF vessels to various organizations ranging from educational institutions, Federal Government, state government, and most often various U.S. military organizations. In 2011 alone, they held 84 events over 262 days for 3,365 personnel. The training is funded and reimbursed by the organization requesting the ship platform to support their training objectives. MARAD is reimbursed for these expenses to the degree that costs are incurred.

### **NDRF National Historic Preservation Act Compliance**

Eight National Register eligibility assessments were completed prior to ship disposals in coordination with the Advisory Council on Historic Preservation. An ex-Coast Guard cutter was determined eligible for listing on the National Register of Historic Places, and histories were written for all of the ships at the James River and Beaumont facilities. These ship histories are available on MARAD's website. Research for a short history of the Maritime Administration and the NDRF program were started. Improvements continued in managing our heritage asset collection, with 676 heritage assets inventoried, photographed, and documented, and 3,000 heritage assets being tracked.

### **The Fight Against Piracy**

Piracy continues to plague maritime transportation in parts of the world. As the incidents of piracy continued to escalate throughout 2011, so too did MARAD's anti-piracy efforts.

### **Contact Group on Piracy off the Coast of Somalia**

The Contact Group on Piracy off the Coast of Somalia consists of 60 countries and 21 international organizations. As a member of the U.S. delegation for the Contact Group, MARAD has focused on mitigating the problems of piracy off the Horn of Africa and promoting the unimpeded flow of U.S. commercial and military cargoes. Specifically, MARAD coordinated with the USCG and DOS to engage with the commercial maritime industry. Within the Contact Group, MARAD officials co-lead Working Group 3, which addresses best management practices and other aspects of industry awareness of anti-piracy measures. Since the Contact Group stood up in January 2009, piracy off the coast of Somalia has significantly decreased. In 2009 there were 163 attacks and 46 pirated compared to 34 attacks and 5 ships pirated in 2012. The primary contributors to this downward trend are the actions taken by industry to implement Best Management Practices, employment of armed security teams, and naval protection. Since 2009 MARAD has obligated between 2.5 and 3 Full-time Equivalents (FTEs) towards anti-piracy efforts.

### **Anti-Piracy Assistance Teams (APAT)**

With assistance from Military Sealift Command (MSC) and the Naval Criminal Investigative Service (NCIS), MARAD developed the APAT concept during FY 2009. Under APAT, U.S.-flag merchant ship owners can voluntarily contact MARAD to schedule in-port visits. Government experts assess physical

security vulnerabilities to piracy, and provide guidance to ship crews on “best practices” against piracy prior to transiting piracy danger areas. During fiscal year 2010, 14 APAT visits were conducted. As of September 30, 2011, a total of 44 visits had been conducted since program inception in 2009.

### **Maritime Security Program and Voluntary Intermodal Sealift Agreement**

Defense sealift continues to rely heavily on the U.S. commercial sector. The National Security Sealift Policy of October 5, 1989, states that a vital objective of the Nation is to ensure that sufficient military and civil maritime resources will be available to meet defense deployment and essential economic requirements.

One way MARAD meets this objective is by administering the Maritime Security Program (MSP) and Voluntary Intermodal Sealift Agreement (VISA) program. MSP vessel operators receive financial support to partially offset the higher operating costs of keeping these vessels registered under the U.S.-flag, and also obtain priority consideration for DOD peacetime cargoes. VISA is, a complementary sealift readiness program approved by the Secretary of Defense.

The MSP and VISA programs are designed for a coordinated seamless transition from peace to war or national emergency while these vessels continue serving in the commerce of the United States. More than 90 percent of all U.S.-flag dry cargo ships are enrolled, obligating more than two-thirds of the carrying capacity of the entire commercial U.S.-flag dry cargo fleet to national security needs when necessary. As of September 30, 2011, there were 60 ships enrolled in the MSP fleet, including 37 containerships, 19 roll-on/roll-off (RO/RO) vessels, two heavy lift vessels, and two tankers.

During fiscal year 2011, one MSP tanker was replaced by a RO/RO vessel, increasing the MSP fleet’s militarily-useful RO/RO capacity by approximately 142,261 square feet. MSP ships continued to support U.S. troops in Iraq and Afghanistan by transporting military cargoes and cargo supporting the rebuilding of Iraq. To date, 81 current and former MSP ships have contributed to this effort. MSP ships also continued to employ approximately 2,400 mariners, maintaining the labor pool that is critical to national security crewing requirements.

The MSP also provides support for U.S.-flag tankers operating in international trade. These tankers, as well as others, participate in the Voluntary Tanker Agreement (VTA). Like VISA, the VTA is designed to make commercial vessels available to support DOD contingency operations.

Enrolling in the VISA program satisfies the requirement for MSP operators to enroll in a DOD-approved Emergency Preparedness Program. MSP participants commit 100 percent of MSP vessel capacity to the VISA program. MSP participation represents more than 75 percent of VISA capacity commitments. The remaining commitments are provided by other U.S.-flag vessels operating in U.S. domestic trade, international trade, or in carriage of commercial and DOD preference cargoes. As of September 30, 2011, there were 132 ships enrolled in the VISA program.

Together, MSP and VISA have modernized the U.S.-flag merchant sealift fleet, increased the sealift capacity and improved the mix of vessels that are readily available for military use.

### **Cruise Vessel Security and Safety Act of 2010**

In accordance with the Cruise Vessel Security and Safety Act 2010 (CVSSA), MARAD (including the U.S. Merchant Marine Academy) collaborated with the U.S. Coast Guard and FBI to develop the model course “Crime Prevention, Detection, Evidence Preservation and Reporting on Cruise Vessels.”

Interim requirements for training went into effect July 27, 2011. MARAD is responsible for the oversight of training providers.

## **Maritime Domain Awareness**

Commercial mobility begins with situational awareness of the marine transportation system. In support of the national maritime domain awareness effort, MARAD serves as the Executive Agent for DOT on Interagency Maritime Security Initiatives and coordinator for Maritime Domain Awareness (MDA) issues and related outreach.

Within that framework, MARAD continues to improve MarView, which is an interactive computer system for sharing vital information on MDA. Our coordination activities also include participation on the National Space Policy (PPD-4) MDA Working Group, the National Maritime Intelligence Center Interagency Advisory Group and the Canada-U.S. MDA Roundtable to enhance understanding and cooperation on MDA issues common to both countries.

## IMPROVING THE ENVIRONMENT

Over the past two years, the Maritime Administration has expanded its efforts to address major environmental challenges in marine transportation, such as aquatic invasive species in ships' ballast water, and port and vessel air emissions and energy use. At the same time, the evolution of MARAD's role in port infrastructure redevelopment and promotion of marine highways brought new opportunities to advance environmental sustainability. In addition to external achievements, MARAD took on the Obama Administration's challenge to address environmental sustainability in its own activities, by focusing on energy use and environmental management in its fleets and facilities.

### **Ship Recycling**

Over the past two years, MARAD has dramatically improved the performance of one of its most visible missions: the storage and final disposal of America's aging ships. Over the preceding decade, the agency had successfully removed and disposed of scores of vessels at reserve fleet sites in Texas and Virginia, but progress in California was stalled until the Obama Administration took office in 2009, with 57 obsolete ships awaiting disposal in MARAD's reserve fleet at Suisun Bay near Benicia, CA. These ships posed environmental threats because of peeling paint and because some contained petroleum products and other polluting substances. The best way to remediate the situation was to remove the ships from the site, but no ships had departed Suisun Bay since January 2007 due to environmental regulatory conflicts, which prevented MARAD from removing the ships for disposal. The issues included the use of best available in-water hull cleaning technology to control the transfer of nonindigenous marine species, the cleaning of exfoliating paint from ships awaiting disposal and the Clean Water Act that regulates discharges into State waters.

MARAD focused on a solution that would preserve the environment, allow for the disposal of the ships, and not be solely reactionary. After reviewing the history of the case, then-Acting Deputy Maritime Administrator David Matsuda began efforts to improve the environmental impact of the fleet. He requested a settlement conference with a coalition of local environmental groups, which took place in San Francisco, CA in February 2009. In July 2009 they proposed a consent decree, which was approved on April, 14, 2010.

By then, the Maritime Administration had already removed five SBRF vessels for disposal. Under the consent decree, MARAD promised to remove 10 more ships in fiscal year 2010. We showed our good faith by towing eleven by September 30, 2010, and a total of 26 by the close of fiscal year 2011.

Further progress was hindered in part because in 2010 there were no qualified ship-recycling facilities on the Pacific coast of the United States. All contracts for recycling were awarded to qualified firms on the Gulf and Atlantic coasts, requiring the ships to be towed through the Panama Canal. In FY 2011, MARAD was able to certify Allied Defense Recycling (ADR) to begin dismantling ships at their Mare Island facility, adding a Pacific coast ship disposal option for the first time since MARAD began qualifying ship recycling facilities in 2001.

### **Ballast Water Treatment Technology and Invasive Species**

Spurred by the increasing urgency felt by Federal and State governments to address aquatic invasive species in ship ballast water, MARAD worked with Federal agencies including NOAA, EPA, USCG, and the Fish and Wildlife Service to test, verify, and certify ballast-water treatment technologies.

During fiscal year 2010, MARAD received \$3 million for ballast-water technology verification in support of EPA's Great Lakes Restoration Initiative. Some of these funds were provided to the Great Ships Initiative to upgrade the Great Lakes land-based testing facility in Superior, WI, in order to conduct verification of ballast-water treatment technologies.

Additional funding supported upgrades and modifications aboard the California Maritime Academy School Ship *TS Golden Bear* (a MARAD-owned vessel) for it to be used as a testing platform, and for technology testing by the University of Maryland Center for Environmental Science's Maritime Environmental Resource Center (MERC). With a second year of dedicated funding in 2011, additional MARAD-sponsored testing of ballast water treatment technologies were initiated with the dedication of a new testing barge for MERC in the Chesapeake Bay. This mobile platform will allow technology testing under the large variety of environmental conditions represented in the bay.

These three facilities are designed to serve as the backbone of independent ballast water treatment technology testing in the United States.

## **Future Technologies**

Like aquatic invasive species, port and vessel air emissions have emerged as serious challenges for marine transportation. The Maritime Administration's efforts to encourage technological solutions saw great progress in fiscal years 2010 and 2011.

### **Geospatial Intermodal Freight Transport (GIFT) Tool**

The GIFT program identifies air emission efficiencies that can be realized through better use of all transportation resources, including maritime. The GIFT, a web-based, nation-wide instrument for determining optimal, multi-modal freight routing, considers factors such as air-emissions reductions, energy use, cost, and time. This model, portions of which are being used today, informs transportation planners as well as industry of the trade-offs associated with cross-modal freight routing and potential infrastructure development. In addition, the model will inform MARAD's decisions regarding its Marine Highway Program.

### **Alternative Fuels**

Working with DOT's Research and Innovative Technology Administration, USCG, and the American Bureau of Shipping (ABS), MARAD commissioned the development of standards for the use of LNG as a shipboard fuel. More recently, MARAD launched a feasibility study for marine application of alternative energy for near-shore vessels, such as those operating in the Great Lakes and other marine highway areas. That study analyzes the characteristics, production, distribution, and economics of some alternative fuels, including LNG and first- and second- generation renewable biodiesels. It will point the way forward for reducing greenhouse gases and other harmful emissions, and provide a tool for ship owners and operators to select the best fuels for their vessel operations.

In cooperation with the Navy, USCG, and EPA, MARAD also began testing a new generation of renewable fuel manufactured from algae. The tests were conducted aboard the Agency's school ship *State Of Michigan*. This was the first such test on a large marine engine and was designed to look at potential emissions reductions as well as vessel operational issues that have been identified with earlier renewable fuels.

Additionally, MARAD continues to provide technical assistance to EPA in evaluating various technological, operational, and alternative-fuel applications for ports and vessels. Most recently, the Office of Environment provided technical assistance to EPA in examining fuel-switching technology (for low-sulfur fuel) for ships transiting up to 200 miles from shore.

Recognizing the international implications of maritime related air emissions, MARAD has also provided technical support to the International Maritime Organization (IMO) as part of the U.S. delegation to the Maritime Environmental Protection Committee (MEPC).

## Greening Government

### **National Environmental Policy Act (NEPA)**

In 2010, MARAD's NEPA work expanded measurably. The Office of Environment was a member of DOT's environmental review team evaluating TIGER grant applications, and was responsible for reviewing small shipyard grant applications and, in the process, completed NEPA reviews for 18 grant awards.

NEPA evaluations for three MARAD projects were also started: the Mallory pier reconstruction at Kings Point, NY; construction of a layberth facility at the Beaumont Reserve Fleet, TX; and in-water hull cleaning for NDRF non-retention vessels.

### **Ready Reserve Force (RRF)/National Defense Reserve Fleet (NDRF) Environmental Compliance Support**

Greening RRF and NDRF operations included ongoing efforts to develop and secure wastewater discharge permits for the vessels. Under new EPA vessel general discharge permits, non-retention vessels are no longer covered by an exemption and must have a State-issued National Pollutant Discharge Elimination System permit.

The Maritime Administration began Vessel General Permit (VGP) compliance audits of the NDRF fleet sites, and completed VGP compliance audits of the six Maritime Academy training vessels. All RRF vessel ship managers have undergone a compliance audit on at least one vessel per contract, and corrective actions are being implemented as needed.

The Maritime Administration has also developed a Strategic Sustainability Performance Plan (SSPP) focusing on more energy efficient and renewable power methodologies at fleets, Gateway offices, and the U.S. Merchant Marine Academy. For example, at fleets and Gateway offices, MARAD continues to install energy efficient electrical upgrades, florescent lights, programmable thermostats, upgraded circuitry, energy efficient air conditioning and geothermal units and energy saver hot water heaters, and tinted windows for the offices, where possible. Also, solar panels have been installed at the Beaumont Reserve Fleet and other renewable and alternative energy sources are being evaluated for all facilities.

A significant milestone was achieved in fiscal year 2011 as the first MARAD facility, the James River Reserve Fleet (JRRF), completed independent third-party verification of its Environmental Management System. The JRRF now conforms to numerous executive orders, and MARAD has the ability to identify and control the environmental impact of the fleet's activities, products, and services.

## Arctic Transportation Issues

The Maritime Administration provided high-level technical support to the Interagency Ocean Policy Task Force, as it examined the President's 2009 revised Arctic Region Policy Directive and the National Security Policy Directive/Homeland Security Policy Directive 66/25 on Arctic policy.

The Maritime Administration is also partnering with the International Organization for Standardization (ISO) and the International Maritime Organization (IMO) to comprehensively review the Polar Ice Code. The code covers not only safety-related matters addressing design, construction, operation of vessels, and search and rescue issues, but also affects critical environmental issues. This work will continue for several years.

Environmental successes such as those showcased here, demand expert analysis of current conditions and related legal ramifications, a clear vision for the future, and cohesive organizational plans to keep moving the agency, its programs, and its people forward.



### **Operation Unified Response: Mariners Respond to Earthquake in Haiti**

On January 12, 2010, a 7.0-magnitude earthquake hit Haiti. It was the strongest earthquake there since 1770, according to the United States Geological Survey. Many of the 2 million residents of Port-au-Prince were in the streets, either hurt or afraid to go back into the damaged buildings for fear of aftershocks. The port complex had been destroyed.

The Maritime Administration stood up the Maritime Command Center (MCC) to evaluate requirements originating from United States Southern Command (SOUTHCOM), U.S. Agency for International Development (USAID), Department of State (DOS), and the United States Transportation Command (USTRANSCOM). When USAID and DOS set up conference calls, the first question asked was what resources were available and could respond the soonest. The Maritime Administration, in close coordination with industry, identified eighteen commercial US-flag ships to support U.S. government sealift needs for USAID and DOD cargo.<sup>8</sup> Additional commercial and U.S. government owned vessels were also called into service to aid in response and recovery aid shipments.

Using experience gained during Hurricane Katrina and Hurricane Rita, MARAD provided detailed information about the capabilities of nine additional vessels, including floating command posts, crane vessels that could load and discharge in damaged ports, and mobile berthing and messing facilities.

On January 16, four days after the earthquake, Haiti had two major maritime objectives: repair its damaged port and receive emergency food and relief supplies in large quantities. An RRF vessel played a major role: *American Trader* carried 325 containers of rice, keeping three relief centers supplied for 21 days. The Title XI “super ferry” *Huakai*, which can carry 800-plus passengers and 25,000 square feet of cargo at over 30 knots, was used extensively between Florida, Guantanamo, Cuba, and Port-au-Prince, Haiti.

DOD also activated the crane ship *Cornhusker State* and the Seabee barge carrier *Cape May*. *Cornhusker State* assisted with cargo operations between vessels in the harbor and provided potable water to them. *Cape May* delivered joint logistics over-the-shore (JLOTS) equipment such as 90-foot-long causeway sections to establish shallow-water cargo operations. It was also used to assist with repairs to watercraft through the imaginative use of its 2,000-ton stern-cargo elevator.

U.S.-flag commercial vessels of all sizes also carried relief cargo. The first U.S.-flag relief vessel on the scene was the *Cayo Largo*, a 300-person passenger ferry funded by the Federal Transit Administration (FTA). The vessel had been regularly shuttling between Fajardo, Puerto Rico, and the nearby islands of Culebra and Vieques for the Puerto Rican Maritime Transportation Authority. The vessel arrived January 19, with 45 search-and-rescue personnel, communications equipment, vehicles, first-aid supplies, and an excavation machine. The *Sea Voyager*, with a maximum berthing capability of 226 people, arrived on January 22, to assist with berthing requirements. Eventually, 25 U.S.-flag vessels, mostly tug/barge units, supported Haitian operations with approximately 65,344 tons of predominantly containerized food aid, hundreds of vehicles for the 82nd Airborne Division, and over 271 personnel.

Roughly a month after it started, the surge effort of Operation Unified Response was complete and Government vessels were deactivated. U.S.-flag commercial support continued on a lesser scale.

As attention turned to rebuilding, a staff member from MARAD’s Office of Environment and Compliance joined a special Department of Transportation Team that coordinated with the State Department to survey Haiti’s intermodal transportation infrastructure, and provide recommendations on rebuilding. These recommendations addressed the seaport and airport in Port au Prince and the road system throughout the country. Together, mariners, government personnel, and local officials restored the basics of Haiti’s marine transportation system.

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<sup>8</sup> All18 (6 tug/barge units, 4 flat deck barges, 1 construction vessel and 1 berthing vessel) were used.

## Deepwater Horizon

On April 20, 2010, another disaster called for MARAD assistance, this one man-made. An explosion sank the British Petroleum-owned Transocean Deepwater Horizon oil rig, killed 11 and injured 17 crewmembers, and led to what is considered the largest accidental marine oil spill in history. In the days immediately following the explosion, resources were mobilized for what would be, in many ways, an unprecedented response effort.

Maritime Administration leadership activated the Maritime Command Center (MCC) to participate in the Interagency Solutions Group (IASG) by monitoring the spill and providing personnel and information services to the U.S. Coast Guard (USCG) and the National Incident Command (NIC). The MCC Watch compiled time-critical information received from diverse sources and condensed it into a standardized format for dissemination and distribution.

Using its maritime expertise, MARAD initially focused on assessing the availability of U.S.-flag vessels in a timely fashion. Problems multiplied as successive attempts to cap the well failed. On June 16, 2010, the Federal On-Scene Coordinator (FOSC) made the determination that until the flow of oil from the well was stopped, an adequate number of U.S.-flag oil spill response vessels (oil skimmers) could not be employed in a timely manner to keep up with the pace of the spill. Based on this FOSC determination, and in response to concerns by some that the Jones Act was hindering British Petroleum's ability to obtain skimmer boats in sufficient quantities and in varying types to keep the oil from spreading to Florida, MARAD facilitated the use of foreign-flag skimming vessels by the USCG (when no U.S. response vessels were available) by assisting the U.S. Customs and Border Protection (CBP) in processing Jones Act waiver requests in a timely manner, and in actually locating needed U.S.-flag assets when they were urgently needed.

The Maritime Administration reviewed the capabilities of oil spill response vessels, and the USCG emergency rulemaking providing for additional spill response vessels, and was instrumental in developing a multi-agency Memorandum of Agreement (MOA) on the use of needed foreign-flag vessels in the spill cleanup process. The MOA with MARAD, USCG, EPA, and DOS expedited requests for Jones Act exemptions for oil-spill-response vessels that did not already qualify pursuant to 46 U.S.C. §55113. The agreement essentially memorializes the process that these agencies created in response to the Deepwater Horizon spill, and will continue to expedite allowances for foreign oil-spill-response vessels for use in future oil spill events.

Staff from MARAD worked with U.S. Customs and Border Patrol to process Jones Act exemption and waiver requests in a timely fashion. Seven foreign-flag, non-oil-spill response vessels were allowed to be used in urgent situations. Total foreign participation in the spill response was limited and estimated at fewer than 100 foreign-flag vessels. The U.S.-flag merchant marine response to the Deepwater Horizon disaster was early and extensive. At the center of the response site, known as "spill source control," were approximately 38 vessels, including U.S.-flag drill ships, offshore supply vessels, research vessels, and shuttle tankers.

Following the Deepwater Horizon oil spill, an engineer and a naval architect from MARAD joined an interagency team to access thousands of proposals for new oil-spill response and clean-up technologies.

## EDUCATING THE NEXT GENERATION AND WORKFORCE DEVELOPMENT

The Secretary of Transportation has a statutory mission to provide education and training for the safe and efficient operation of the U.S. merchant marine. This mission is fulfilled through the Maritime Administration's educational programs offered at the U.S. Merchant Marine Academy and the six State-operated maritime academies.

### **The United States Merchant Marine Academy**

A major point of pride for the Maritime Administration has always been its flagship of maritime education and leadership training at the United States Merchant Marine Academy (USMMA). Established by Congress in 1936, USMMA occupies an 82-acre campus on Long Island Sound at Kings Point, NY.

The academy arose in prominence during World War II and has since been globally recognized as one of the world's foremost institutions of maritime education for licensed merchant marine officers.



The U.S. Merchant Marine Academy's infrastructure includes six midshipman dormitories, seven academic buildings, science and engineering laboratories, high-tech ship's bridge and engine room simulators, athletics facilities, and extensive waterfront training resources.

The U.S. Merchant Marine Academy is a Federally funded, regimented, institution of higher education that offers a 4-year undergraduate program that includes nearly 1 full year of sea time working aboard merchant and/or military cargo vessels. In addition to the baccalaureate degree in 1 of 6 maritime undergraduate majors<sup>9</sup>, each graduate also earns a license to sail as a third mate and/or third assistant engineer in the U.S. Merchant Marine, and a commission as an ensign in the Strategic Sealift Officer Program of the U.S. Navy Reserve.

Graduates are required to work in the U.S. maritime industry for a minimum of 5 years, and to maintain their commission in the Navy Reserve for a minimum of 6 years after graduation. Some graduates

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<sup>9</sup> USMMA majors include Marine Transportation, Maritime Operations and Technology, Logistics and Intermodal Transportation, Marine Engineering, Marine Engineering Systems, and Marine Engineering and Shipyard Management

choose instead to serve on active duty in any of the U.S. Armed Forces or in the uniformed service of the National Oceanic and Atmospheric Administration, which satisfies both commitments.

On June 21, 2010, 179 men and 19 women of the Class of 2010 were graduated, representing 40 States, and including 7 foreign students from the Republic of Panama. One hundred and twelve graduates passed the USCG third mate license exam and 86 passed the third assistant engineer license exam, enabling them to receive their USCG credential with a license endorsement, or the equivalent credential from the Republic of Panama. One hundred and thirty graduates entered the U.S. Navy Reserve Merchant Marine Reserve and are currently sailing on their license in the merchant marine or working ashore in strategic positions that support shipbuilding or national security. In addition, 51 graduates were commissioned for active duty in the U.S. military.<sup>10</sup> About 71 percent of the Class of 2010—some 140 midshipmen—spent all or part of their sea year assigned to Navy auxiliary vessels deployed to the Middle East and/or aboard commercial vessels carrying military supplies in support of U.S. military operations in Afghanistan and Iraq.

The Class of 2011 graduated on June 20, 2011, with 27 women and 176 men. The class had members from 38 U.S. states, the District of Columbia, American Samoa, and the Republics of Kenya, South Korea and Panama. Third mates' licenses were earned by 99 members of the class, and 104 were licensed as third assistant engineers.<sup>11</sup> More than half the class spent all or part of their sea year aboard forward-deployed Navy auxiliary vessels and/or aboard commercial vessels carrying military supplies for operations in Afghanistan and Iraq. Forty-seven members of the class accepted active duty commissions in the Armed Forces.

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<sup>10</sup> Nine graduates were commissioned in other Reserve programs, the seven foreign citizen graduates were not eligible for U.S. commissions, and one U.S. citizen graduate was denied a commission.

<sup>11</sup> While all USMMA graduates earn licenses, only U. S. citizens can receive U. S. Coast Guard licenses. Foreign students take the USCG license exam and receive a USCG letter that is recognized by their home countries towards receiving a domestic and international training certificate.

## State Maritime Academies

### The Maritime Academies Continuing Their Great Traditions

In addition to operating the U.S. Merchant Marine Academy, MARAD also provides financial support and training vessels to the 6 State-operated maritime academies (SMAs): California Maritime Academy, Vallejo, CA; Maine Maritime Academy, Castine, ME; Massachusetts Maritime Academy, Buzzards Bay, MA; State University of New York Maritime College, Fort Schuyler, NY; Texas Maritime Academy, Galveston, TX; and Great Lakes Maritime Academy, Traverse City, MI.

#### CLASS OF 2010

Source: State Maritime Academies/USMMA

ACADEMY	TOTAL GRADS	TOTAL LICENSE GRADS	NON-LICENSE GRADS	EMPLOYMENT DATA - LICENSE GRADUATES ONLY					
				MARITIME AFLOAT	MARITIME ASHORE	U.S. ARMED FORCES	NON-MARITIME	GRAD SCHOOL	OTHER/ UNKNOWN
CALIFORNIA	164	107	57	83	4	5	7	0	8
MAINE	182	125	57	92	7	5	2	6	15
MICHIGAN	21	21	0	20	0	0	1	0	0
MASS	252	122	130	44	8	6	3	5	56
TEXAS	276	55	221	48	0	1	0	0	8
SUNY	268	146	122	66	6	15	9	3	43
<b>TOTAL SMA **</b>	<b>1163</b>	<b>576</b>	<b>587</b>	<b>353</b>	<b>25</b>	<b>32</b>	<b>22</b>	<b>14</b>	<b>130</b>
<b>USMMA *</b>	<b>198</b>	<b>198</b>	<b>0</b>	<b>113</b>	<b>16</b>	<b>52</b>	<b>0</b>	<b>0</b>	<b>17</b>
<b>SMA** &amp; KP *</b>	<b>1,361</b>	<b>774</b>	<b>587</b>	<b>472</b>	<b>40</b>	<b>84</b>	<b>22</b>	<b>14</b>	<b>142</b>

Funding the maritime academies helps guarantee a sufficient, consistent supply of capable, well-educated, and highly skilled U.S.-licensed merchant mariners.

\*USMMA (KP - Undergraduates Only)

\*\* SMA (Undergraduate and Graduate)

In exchange for Federal financial support, the SMAs must meet certain requirements regarding courses offered and educational standards in navigation, marine engineering, the operation and maintenance of vessels and equipment, and innovations introduced to the merchant marine of the United States.

#### CLASS OF 2011

Source: State Maritime Academies/USMMA

ACADEMY	TOTAL GRADS	TOTAL LICENSE GRADS	NON-LICENSE GRADS	EMPLOYMENT DATA - LICENSE GRADUATES ONLY					
				MARITIME AFLOAT	MARITIME ASHORE	U.S. ARMED FORCES	NON-MARITIME	GRAD SCHOOL	OTHER/ UNKNOWN
CALIFORNIA	150	111	39	78	3	3	3	1	23
MAINE	200	136	64	119	1	4	5	1	6
MICHIGAN	27	26	1	26	0	0	0	0	0
MASS	244	97	147	55	1	1	4	0	36
TEXAS	272	60	212	45	0	1	0	1	13
SUNY	244	115	129	76	6	10	9	6	8
<b>TOTAL SMA **</b>	<b>1137</b>	<b>545</b>	<b>592</b>	<b>399</b>	<b>11</b>	<b>19</b>	<b>21</b>	<b>9</b>	<b>86</b>
<b>USMMA *</b>	<b>203</b>	<b>203</b>	<b>0</b>	<b>66</b>	<b>17</b>	<b>47</b>	<b>0</b>	<b>0</b>	<b>67</b>
<b>SMA** &amp; KP *</b>	<b>1,340</b>	<b>748</b>	<b>592</b>	<b>465</b>	<b>28</b>	<b>66</b>	<b>21</b>	<b>9</b>	<b>153</b>

\*USMMA (KP - Undergraduates Only)

\*\* SMA (Undergraduate and Graduate)

The Nation's principal source of entry-level merchant marine officers and an integral component of defense readiness. They support national security policy by providing a guaranteed source of U.S. merchant marine officers to meet domestic and international crewing needs.

The maritime industry continues to present a promising future for the men and women graduating from maritime academies. Graduates from all 7 American maritime academies continue to be regarded as some of the most highly-trained seafarers entering the domestic and international job markets. New opportunities are increasing internationally as the worldwide shortage of licensed officers continues.

In fiscal year 2010, the Maritime Administration's direct SMA support per license student was \$727. The total Federal Student Incentive Payment (SIP) Program, and MARAD direct payment support for fuel, school-ship maintenance and repair was \$15.94 million. In November 2010, there were 3,506 license students enrolled in the six SMAs yielding an annual Federal cost per licensed student of \$4,546. Fiscal year 2011 total Federal support was the same as FY 2010.

The maritime academies are the

The SMAs project that 99 percent of licensed graduates seeking jobs in the maritime industry will find employment.



### **NDRF Schoolships**

As part of our support for maritime education, MARAD loans Federally-owned and maintained school ships under custodial agreements to each of the six state maritime academies, and provides maintenance funds help to offset the increasing cost of training U.S. Coast Guard-qualified merchant mariner officers. The training ships

are docked at the SMAs: *TS Golden Bear* at California Maritime Academy; *TS State of Michigan* at Great Lakes Maritime Academy; *TS Texas Clipper* at Texas Maritime Academy; *TS State of Maine* at Maine Maritime Academy; *TS Kennedy* at Massachusetts Maritime Academy; and *TS Empire State* at SUNY Maritime College. The ships are employed as laboratories for license coursework and practical, hands-on training and testing. They have also carried relief supplies and sheltered first responders in various recovery efforts, including hurricanes Katrina and Rita and, more recently, the devastating earthquake in Haiti. The training ships average 35 years-old, with some approaching 50. A recapitalization plan is being finalized.

### **Fire Training Center**

In addition to the Federal and State academies, MARAD operates a Fire Training Center near Toledo, Ohio, where merchant mariners and fire fighters are trained in the prevention and suppression of shipboard and pier-side fires.



Maritime Administration's Fire Training Facility near Toledo, Ohio.

## COLLABORATING INTERNATIONALLY

### **Yangtze-Mississippi Strategic Cooperation Forum and U.S.-China Bilateral Consultation**

In October 2010, the Maritime Administrator led a U.S. delegation to China to participate in a forum on inland river transport, and in bilateral consultations to advance U.S. maritime interests in the Nation's economic relations with China. The delegation, which included participants from MARAD, the Federal Maritime Commission, the Department of State and the U.S. Merchant Marine Academy, visited the cities of Chongqing and Dalian.

In Chongqing, the Maritime Administrator delivered the keynote address at the Yangtze-Mississippi Cooperation Forum, an industry event promoting bilateral cooperation and investment opportunities in the development of China's inland waterway transportation system. The forum provided an opportunity to actively support U.S. transportation sector interest in tapping commercial opportunities, including projects valued at \$4 billion to modernize the ports along the Yangtze River.

In Dalian, the delegation met with counterparts from China's Ministry of Transport for annual consultations on the implementation of the 2005 U.S.-China Bilateral Agreement on Maritime Commerce. The talks focused mainly on market access issues for U.S. maritime firms operating in China, but also explored areas of potential future cooperation, such as anti-piracy training and education and further collaboration in the Asia Pacific Economic Cooperation (APEC) forum, specifically through the APEC Port Services Network (APSN).

### **U.S.-EU Memorandum of Cooperation**

Secretary Ray LaHood and European Union Commission Vice President Siim Kallas, during their meetings in 2010 and 2011, expressed interest in U.S. and EU cooperation on short-sea shipping issues. In July 2011, Maritime Administrator Matsuda and his EU counterpart, Director General of Energy and Transport Matthias Ruete, met in Brussels and later signed a Memorandum of Cooperation (MOC) that establishes a mechanism for the regular exchange of information, ideas, best practices, integration of intelligent transportation technologies, and success stories.

Although the EU has been actively expanding short-sea routes for 20 years, innovative U.S. approaches to promoting the use of marine highways has placed the U.S. in the lead on certain initiatives such as developing performance measures for public benefits that can be gained from increasing use of marine highways and the potential for applying intelligent transportation systems (ITS) to the maritime sector within intermodal freight corridors.

During his visit to Brussels, the administrator met with European Commission officials on a range of topics, including maritime safety and environmental issues, maritime workforce training and development, and anti-piracy initiatives.

## **APEC Port Services Network 2011**

MARAD coordinated the 2011 meeting of the APEC Port Services Network (APSN) in San Francisco, CA, September 19-21, 2011, the first time the event has been held in the United States. Timed to follow the APEC Transportation and Energy ministerial meetings also held in San Francisco the week before, the APSN event opened with a day-long technical workshop on environmental sustainability initiatives in Pacific ports. Maritime Administrator David Matsuda delivered the keynote address to a group from port authorities, terminal operators, carriers, regulatory bodies and environmental and industry organizations from the U.S. West Coast, Asia and Europe. His remarks promoted U.S. sustainability efforts including MARAD's Marine Highways Program, as well as initiatives at individual U.S. West Coast ports.

The APSN is an APEC organization that aims to integrate various sectors of the shipping industry, facilitate cargo transportation and trade, and enhance cooperation in the ports sector throughout the Asia-Pacific region. Led by a secretariat in Beijing, its membership includes port authorities, maritime officials, and industry representatives from 16 APEC member economies. At this year's meeting, the U.S. West Coast Collaboration, an industry group representing the region's ports, announced its plans to join the APSN advisory board.



## LEGAL REVIEW

### **Admiralty Personal Injury**

The U.S. was named as defendant in 15 Maritime Administration personal injury cases in the admiralty jurisdiction of the Federal district courts as of September 30, 2010. The potential liability arising from these matters may be up to \$1 million. Although certain cases were resolved and new cases were filed in 2011, the potential liability of the Government remained approximately the same.

There were 16 active personal injury cases pending against the United States in Federal district court as of September 30, 2011.

### **Environmental Litigation**

In *Arc Ecology, et al. v. Maritime Administration et al.*, 2:07-cv-02320 (E.D. Ca) case, the Maritime Administration achieved a significant milestone in complying with and meeting the deadline contained in the stipulated consent decree to dry-dock 25 vessels from the Suisun Bay NDRF fleet by the end of FY 2011.

### **Title XI Litigation**

In FY 2011, the Maritime Administration successfully concluded litigation in one bankruptcy related to a Title XI company. In addition, the Maritime Administration commenced foreclosure proceedings on 5 vessels following default in payment on Title XI loan guarantee obligations.

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## Presidential Proclamation

For Immediate Release  
May 20, 2010

The White House  
Office of the Press Secretary

### Presidential Proclamation-National Maritime Day 2010

Even before our Nation declared independence, our forebears recognized the importance of merchant ships and seafarers to our economic and national security. Since 1775, America's maritime fleet has risen to the challenges before them and worked to meet our country's needs in times of peace and war alike. On National Maritime Day, we recognize the men and women of the United States Merchant Marine for their contributions to America's leadership in the global marketplace, and to our security.

Civilian mariners and their ships have played an important role in equipping our military forces at sea in national conflicts. During World War II, they executed the largest sealift the world had ever known, and thousands gave their lives to help convoys with desperately needed supplies reach our troops. Their service to our Nation continues today. Merchant mariners support military operations in Iraq and Afghanistan, as well as humanitarian missions, including the delivery of supplies to Haiti following this year's devastating earthquake.

The United States Merchant Marine also shepherds the safe passage of American goods. They carry our exports to customers around the world and support the flow of domestic commerce on our maritime highways. They help strengthen our Nation's economy; bolster job creating businesses; and, along with the transportation industry, employ Americans on ships and tugs, and in ports and shipyards. Today, we pay tribute to the United States Merchant Marine, and we honor all those whose tireless work is laying a foundation for growth, prosperity, and leadership in the 21st century.

The Congress, by a joint resolution approved May 20, 1933, has designated May 22 of each year as "National Maritime Day," and has authorized and requested the President to issue annually a proclamation calling for its appropriate observance.

NOW, THEREFORE, I, BARACK OBAMA, President of the United States of America, do hereby proclaim May 22, 2010, as National Maritime Day. I call upon the people of the United States to mark this observance with appropriate activities, and I encourage all ships sailing under the American flag to dress ship on that day.

IN WITNESS WHEREOF, I have hereunto set my hand this twentieth day of May, in the year of our Lord two thousand ten, and of the Independence of the United States of America the two hundred and thirty-fourth.

## MARAD Observes National Maritime Day 2010

In 1933, Congress designated each May 22 as National Maritime Day.

The day originally commemorated the first successful transoceanic steamship crossing by the SS SAVANNAH. In following years, however, the day's observance developed into an occasion for honoring the sacrifices and contributions of America's merchant mariners and the entire U.S. maritime industry.

Each year, the Maritime Administration observes this special day with appropriate pomp, patriotism and respect.

In 2010, because May 22 fell on a weekend, the event was held on May 18 at DOT headquarters in Washington, DC. Maritime Administrator David T. Matsuda invited legislators, representatives from the U.S. maritime industry, MARAD and DOT employees, staff, and students from USMMA to observe National Maritime Day together.



Maritime Administrator David T. Matsuda (*at podium*) welcomes attendees to the National Maritime Day observance held at DOT/MARAD headquarters in Washington, DC, on May 18, 2010.



Seafarer International Union President Michael Sacco greets a group of seaman apprentices.



Merchant mariner and USMMA graduate Darin Rupinski (Class of 2008) receives the Merchant Marine Medal for Outstanding Achievement from Administrator Matsuda during the National Maritime Day observance. Mr. Rupinski's quick and professional actions helped save lives on the Deepwater Horizon oil drilling platform after it exploded in the Gulf of Mexico in April 2010.

## **MARAD Observes National Maritime Day 2011**

On May 19, 2011, Maritime Administrator David Matsuda honored the memory of Richard Oliver Kelleher during DOT's National Maritime Day observation. Administrator Matsuda presented six posthumous awards to the family of Kelleher, whose death at sea during World War II symbolized the sacrifices of all U.S. merchant mariners. Accepting the awards were Kelleher's brother, Herb Kelleher, founder of Southwest Airlines.

Richard Kelleher, a fireman-watertender, was just 19 years old when he died while serving onboard the tanker SS PATRICK J. HURLEY. The vessel was torpedoed on September 12, 1942, by a German U-boat. Kelleher was one of 13 crew members lost along with the captain and four Navy men.



## **MARITIME ADMINISTRATION**

### **Annual Financial Statements**

#### **Fiscal years Ending September 30, 2010 and 2011**

The Financial Statements include the following principal statements:

- Balance Sheet - presents, as of the end of the fiscal year, amounts of future economic benefits owned or managed by MARAD (assets), amounts owed by MARAD (liabilities), and amounts which comprise the difference between assets and liabilities (net position).
- Statement of Net Cost - presents the net cost of operations for MARAD.
- Statement of Changes in Net Position - presents the change in net position during the fiscal year. Net position is affected by changes to its two components: Cumulative Results of Operations and Unexpended Appropriations.
- Statement of Budgetary Resources - presents the information about how budgetary resources were made available as well as their status at the end of the fiscal year.
- Notes - accompanying this presentation are an integral part of the financial statements.

The financial statements presented here for MARAD are based on the information included in the Department of Transportation's (DOT) audited financial statements for fiscal year (FY) 2011 and FY 2010.

**Balance Sheet**  
**As of September 30, 2011 and September 30, 2010**

	<u>FY 2011</u>	<u>FY 2010</u>
<b>Assets</b>		
<b>Intragovernmental Assets:</b>		
Fund Balance with Treasury (Note 1)	\$ 765,708	\$ 730,481
Investments (Note 2)	44,405	44,751
Accounts Receivable, Net (Note 3)	22,613	35,023
Loans Receivable	-	-
Other Assets (Note 4)	<u>10,820</u>	<u>7,418</u>
<b>Total Intragovernmental Assets</b>	<b>\$ 843,546</b>	<b>\$ 817,673</b>
Accounts Receivable (Public), Net (Note 3)	\$ 784	\$ 588
Loans Receivable & Foreclosed Property, Net (Note 5)	71,135	169,810
Inventory and Related Property, Net (Note 6)	227,032	215,108
General Property, Plant and Equipment, Net (Note 7)	<u>373,767</u>	<u>436,302</u>
<b>Total Assets</b>	<b>\$ 1,516,264</b>	<b>\$ 1,639,481</b>
<b>Liabilities (Note 8)</b>		
<b>Intragovernmental Liabilities:</b>		
Accounts Payable	\$ 3,935	\$ 21,092
Debt (Note 9)	199,417	296,058
Other Intragovernmental Liabilities (Note 13)	<u>285,173</u>	<u>230,650</u>
<b>Total Intragovernmental Liabilities</b>	<b>\$ 488,525</b>	<b>\$ 547,800</b>
Accounts Payable	\$ 25,100	\$ 35,568
Loan Guarantee Liability (Note 5)	158,334	237,649
Federal Employee and Veterans' Benefits (Note 10)	18,108	19,274
Environmental Cleanup and Disposal Liabilities (Note 11)	310,687	307,355
Grant Accrual (Note 12)	997	1,979
Other Liabilities (Notes 13)	<u>27,106</u>	<u>30,150</u>
<b>Total Liabilities</b>	<b>\$ 1,028,857</b>	<b>\$ 1,179,775</b>
<b>Net Position</b>		
Unexpended Appropriations - Other Funds	344,605	301,252
Cumulative Results of Operations - Earmarked Funds (Note 14)	80,751	87,717
Cumulative Results of Operations - Other Funds (Note 14)	<u>62,051</u>	<u>70,737</u>
<b>Total Net Position</b>	<b>\$ 487,407</b>	<b>\$ 459,706</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 1,516,264</b>	<b>\$ 1,639,481</b>

**Statement of Net Cost**  
**For the Fiscal Years Ended September 30, 2011 and September 30, 2010**

	<u>FY 2011</u>	<u>FY 2010</u>
<b>Program Costs (Notes 15):</b>		
Gross Costs	\$ 871,170	\$ 1,102,438
Less: Earned Revenues	<u>379,888</u>	<u>531,869</u>
<b>Net Cost of Operations</b>	<b><u>\$ 491,282</u></b>	<b><u>\$ 570,569</u></b>

**Statement of Changes in Net Position**  
**Cumulative Results of Operations**  
**For the Fiscal Years Ended September 30, 2011 and September 30, 2010**

	<u>FY 2011</u>	<u>FY 2010</u>
<b>Beginning Balances</b>	\$ 158,360	\$ 148,744
<b>Adjustments (+/-)</b>		
Changes in Accounting Principle	-	-
Corrections of Errors	<u>-</u>	<u>-</u>
<b>Beginning Balances, Adjusted</b>	<b><u>\$ 158,360</u></b>	<b><u>\$ 148,744</u></b>
<b>Budgetary Financing Sources:</b>		
Appropriations Used	\$ 529,393	\$ 598,086
Non-Exchange Revenue	11	29
Donations and Forfeitures of Cash and Cash Equivalents	1,212	491
Transfers-In/Out Without Reimbursement (+/-)	-	470
<b>Other Financing Sources:</b>		
Donations and Forfeitures of Property		
Transfers-In/Out Without Reimbursement (+/-)	20,310	-
Imputed Financing From Costs Absorbed by Others	9,582	13,020
Other (+/-)	<u>(84,784)</u>	<u>(31,817)</u>
<b>Total Financing Sources</b>	<b><u>\$ 475,724</u></b>	<b><u>\$ 580,279</u></b>
<b>Net Cost of Operations</b>	<b><u>\$ 491,282</u></b>	<b><u>\$ 570,569</u></b>
<b>Net Change</b>	<b><u>\$ (15,557)</u></b>	<b><u>\$ 9,710</u></b>
<b>Cumulative Results of Operations</b>	<b><u>\$ 142,802</u></b>	<b><u>\$ 158,454</u></b>



**Statement of Changes in Net Position - Unexpended Appropriations  
For the Fiscal Years Ended September 30, 2011 and September 30, 2010**

	<u>FY 2011</u>	<u>FY 2010</u>
<b>Beginning Balances</b>	\$ 301,346	\$ 282,389
<b>Budgetary Financing Sources:</b>		
Appropriations Received	\$ 569,539	\$ 568,627
Appropriations Transferred-In/Out (+/-)	5,750	50,000
Other Adjustments (Rescissions, etc.) (+/-)	(2,636)	(1,677)
Appropriations Used	<u>(529,394)</u>	<u>(598,087)</u>
<b>Total Budgetary Financing Sources</b>	\$ 43,259	\$ 18,863
<b>Total Unexpended Appropriations</b>	<b><u>\$ 344,605</u></b>	<b><u>\$ 301,252</u></b>

**Statement of Budgetary Resources  
For the Fiscal Years Ended September 30, 2011 and September 30, 2010 (Note 16)**

	<u>FY 2011</u>	<u>FY 2010</u>
<b>Budgetary Resources:</b>		
Unobligated Balance, Brought forward, October 1 (+/-)	\$ 478,434	\$ 543,187
Adjustment to unobligated balance brought forward	160	2,396
Recoveries of Prior Year Unpaid Obligations	31,774	20,483
<b>Budget Authority:</b>		
Appropriations Received	593,822	610,268
Borrowing Authority	195,000	319,363
Contract Authority	-	-
<b>Spending Authority From Offsetting Collections:</b>		
Earned	-	-
Collected	480,534	524,404
Change in receivables from Federal Sources	(12,098)	18,741
<b>Change in Unfilled Customer Orders</b>		
Advance Received	21,077	(25,288)
Without Advance from Federal Sources	94,391	(98,578)
Expenditure transfers from trust funds	-	487
Anticipated for Rest of Year, Without Advances	-	-
Previously unavailable	-	-
<b>Subtotal</b>	\$ 1,372,726	\$ 1,349,398
Non Expenditure transfers, Net, Anticipated and Actual	5,750	50,000
Temporarily Not Available Pursuant to Public Law	-	-
Permanently Not Available	<u>(214,998)</u>	<u>(221,502)</u>
<b>Total Budgetary Resources</b>	<b><u>\$ 1,673,846</u></b>	<b><u>\$ 1,743,962</u></b>

## Status of Budgetary Resources

<b>Obligations Incurred:</b>	<b><u>FY 2011</u></b>	<b><u>FY 2010</u></b>
Direct:	\$ 637,388	\$ 898,043
Reimbursable:	395,618	367,935
Subtotal	1,033,006	1,265,978
<b>Unobligated Balance:</b>		
Apportioned	372,656	231,710
Exempt from apportionment	<u>15,435</u>	<u>15,526</u>
Subtotal	<u>\$ 388,091</u>	<u>\$ 247,236</u>
<b>Unobligated Balance Not Available:</b>	<u>\$ 252,749</u>	<u>\$ 230,748</u>
<b>Total Status of Budgetary Resources</b>	<b><u>\$ 1,673,846</u></b>	<b><u>\$ 1,743,962</u></b>
<b>Change in Obligated Balance:</b>		
<b>Obligated Balance, Net</b>		
Unpaid obligations, brought forward, Oct 1st (+)	\$ 369,260	\$ 402,202
Adjustment to unpaid obligations, brought forward, October 1 (+/-)	-	(2,396)
Uncollected customer payments from Fed sources, brought forward, Oct 1(-)	(73,273)	(153,110)
Total, unpaid obligated balance, brought forward, net	295,987	246,696
Obligations Incurred (+):	1,033,006	1,265,978
Gross Outlays (-)	(986,679)	(1,276,041)
Obligated Balance Transfers, Net:		
Recoveries of prior-year unpaid obligations, actual (-)	(31,774)	(20,483)
Change in uncollected customer payments from Federal sources (+/-)	(82,293)	79,837
<b>Obligated Balances, Net, End of Period:</b>		
Unpaid Obligations (+)	383,813	369,260
Uncollected Customer Payments from Federal Sources (-)	<u>(155,566)</u>	<u>(73,273)</u>
<b>Total, unpaid obligated balance, net, end of period</b>	<b><u>\$ 228,247</u></b>	<b><u>\$ 295,987</u></b>
<b>NET OUTLAYS</b>		
Gross Outlays (+)	\$ 986,679	\$ 1,276,041
Less: Offsetting Collections (-)	(501,611)	(499,604)
Less: Distributed offsetting receipts	<u>(41,841)</u>	<u>(85,402)</u>
<b>Net Outlays</b>	<b><u>\$ 443,227</u></b>	<b><u>\$ 691,036</u></b>

**Note 1. Fund Balances with Treasury:**

	<u>September 30, 2011</u>	<u>September 30, 2010</u>
<b>Fund Balances:</b>		
General Funds	464,391	373,151
Revolving Funds	251,174	320,426
Trust Funds	\$ 29,683	\$ 36,748
Other Fund Types	<u>20,460</u>	<u>156</u>
<b>Total</b>	<b><u>\$ 765,708</u></b>	<b><u>\$ 730,481</u></b>

**Note 2. Investments:**

As of September 30, 2011

	<u>Cost</u>	<u>Amortized (Premium) Discount</u>	<u>Investments (Net)</u>	<u>Other Adjustments</u>	<u>Market Value Disclosure</u>
<b>Intragovernmental Securities:</b>					
Marketable	\$ 44,121	\$ 116	\$ 44,237	\$ -	\$ 44,237
Accrued Interest	<u>-</u>	<u>-</u>	<u>168.00</u>	<u>-</u>	<u>168.00</u>
<b>Total Investments</b>	<b><u>\$ 44,121</u></b>	<b><u>\$ 116</u></b>	<b><u>\$ 44,405</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 44,405</u></b>

As of September 30, 2010

	<u>Cost</u>	<u>Amortized (Premium) Discount</u>	<u>Investments (Net)</u>	<u>Other Adjustments</u>	<u>Market Value Disclosure</u>
<b>Intragovernmental Securities:</b>					
Marketable	\$ 44,258	\$ 351	\$ 44,609	\$ -	\$ 44,609
Accrued Interest	<u>142</u>	<u>\$ -</u>	<u>142</u>	<u>\$ -</u>	<u>142</u>
<b>Total Investments</b>	<b><u>\$ 44,400</u></b>	<b><u>\$ 351</u></b>	<b><u>\$ 44,751</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 44,751</u></b>

**Note 3. Accounts Receivable:**

As of September 30, 2011

	<u>Gross Amount Due</u>	<u>Allowance for Uncollectible Amounts</u>	<u>Net Amount Due</u>
Accounts Receivable (Federal)	\$ 22,613	\$ -	\$ 22,613
Accounts Receivable (Public)	<u>784</u>	<u>-</u>	<u>784</u>
<b>Total Accounts Receivable</b>	<b><u>\$ 23,397</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 23,397</u></b>

**Note 3. Accounts Receivable continued:**

As of September 30, 2010			
	Gross Amount <u>Due</u>	Allowance for Uncollectible <u>Amounts</u>	Net Amount <u>Due</u>
Accounts Receivable (Federal)	\$ 35,023	\$ -	\$ 35,023
Accounts Receivable (Public)	\$ 588	\$ -	\$ 588
<b>Total Accounts Receivable</b>	<b><u>\$ 35,611</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 35,611</u></b>

**Note 4. Other Assets:**

	<u>September 30, 2011</u>	<u>September 30, 2010</u>
Prepayments to Other Federal Agencies	<u>\$ 10,820</u>	<u>\$ 7,418</u>

**Note 5. Loan Guarantees Programs:****Guaranteed Loans Outstanding as of September 30, 2011**

	Outstanding Principal of Guaranteed Loans Amount of Outstanding	
	<u>Face Value</u>	<u>Principal Guaranteed</u>
Loan Guarantee	\$ 1,788,909	\$ 1,788,909

**Budget Subsidy Rates for Loan Guarantees for the Current Year Cohort**

## As of September 30, 2011

	Interest		Fees & Other		<u>Total</u>
	<u>Supplement</u>	<u>Defaults</u>	<u>Collections</u>	<u>Other</u>	
Loan Guarantee	0.00%	8.15%	-4.89%	0.00%	3.26%

**FY 2011 Defaulted Guaranteed Loans**

	Loans		Loans		
	Receivable, <u>Gross</u>	Interest <u>Receivable</u>	Foreclosed <u>Property</u>	Allowance <u>for Subsidy</u>	Receivable <u>Net</u>
Loan Guarantee	<u>\$ 212,071</u>	<u>\$ 8,797</u>	<u>\$ 60,100</u>	<u>\$ (209,833)</u>	<u>\$ 71,135</u>

<b>FY 2010 Defaulted Guaranteed Loans</b>					
	<b>Loans Receivable, Gross</b>	<b>Interest Receivable</b>	<b>Foreclosed Property</b>	<b>Allowance Subsidy for</b>	<b>Loans Net</b>
Loan Guarantee	<u>\$ 258,383</u>	<u>\$ 10,757</u>	<u>\$ 28,110</u>	<u>\$ (127,440)</u>	<u>\$ 169,810</u>
				<b>FY 2011</b>	<b>FY 2010</b>
Beginning balance of the loan guarantee liability				\$ 237,648	\$ 310,592
<b>Add: Subsidy Expense for Guaranteed Loans disbursed during the reporting years by component:</b>					
Default costs (net of recoveries)				<u>-</u>	<u>363</u>
<b>Total - above subsidy expense components</b>				<b>\$ 237,648</b>	<b>\$ 310,955</b>
<b>Adjustments:</b>					
Fees received				1,035	7,147
Foreclosed property and loans acquired				(212,214)	113,080
Claim payments to lenders					(222,967)
Interest accumulation on the liability balance				125,492	(10,897)
Other				<u>4,054</u>	<u>8,421</u>
<b>Add or Subtract Subsidy Reestimates by Component:</b>					
Technical/default reestimate				<u>2,318</u>	<u>31,909</u>
Total of the above reestimate components				<u>\$ 2,318</u>	<u>\$ 31,909</u>
<b>Ending Balance of Loan Guarantee Liability</b>				<b><u>\$ 158,334</u></b>	<b><u>\$ 237,648</u></b>

#### Note 6. Inventory and Related Property:

<b>As of September 30, 2011</b>			
	<b>Cost</b>	<b>Allowance for Loss</b>	<b>Net</b>
<b>Operating Materials and Supplies:</b>			
Items Held for Use	\$ 196,360	\$ 1,840	\$ 194,520
Items Held in Reserve for Future Use	30,212	-0-	30,212
Items Held for Repair	<u>2,300</u>	<u>-0-</u>	<u>2,300</u>
<b>Total Operating Materials &amp; Supplies</b>	<b><u>\$228,872</u></b>	<b><u>\$ 1,840</u></b>	<b><u>\$ 227,032</u></b>
<b>As of September 30, 2010</b>			
	<b>Cost</b>	<b>Allowance for Loss</b>	<b>Net</b>
<b>Operating Materials and Supplies:</b>			
Items Held for Use	\$ 184,202	\$ 1,907	\$ 182,295
Items Held in Reserve for Future Use	30,429	-	30,429
Items Held for Repair	<u>2,384</u>	<u>-</u>	<u>2,384</u>
<b>Total Operating Materials &amp; Supplies</b>	<b><u>\$ 217,015</u></b>	<b><u>\$ 1,907</u></b>	<b><u>\$215,108</u></b>

**Note 7. General Property, Plant and Equipment:****As of September 30, 2011**

<u>Major Classes</u>	<u>Service Life</u>	<u>Acquisition Value</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land and Improvements	N/A	\$ 3,962	\$ -	\$ 3,962
Buildings and Structures	20SL	183,028	71,514	111,514
Automated Data Processing Software	5-10 SL	750	750	-
Equipment	5-10 SL	28,975	25,625	3,350
Electronics	5-10 SL	1,155	948	207
Ships and Vessels	25 SL	1,949,078	1,716,857	232,221
Small Boats	10 SL	23,980	17,082	6,898
Construction in Progress	N/A	<u>15,615</u>	<u>-</u>	<u>15,615</u>
<b>Total</b>		<b><u>\$ 2,206,543</u></b>	<b><u>\$1,832,776</u></b>	<b><u>\$ 373,767</u></b>

**As of September 30, 2010**

<u>Major Classes</u>	<u>Service Life</u>	<u>Acquisition Value</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land and Improvement	N/A	\$ 3,962	\$ -	\$ 3,962
Buildings and Structures	20 SL	175,108	71,912	103,196
Equipment	5-10 SL	28,516	25,066	3,450
Automated Data Processing Software	5-10 SL	1,012	1,012	-
Electronics	5-10 SL	1,173	911	262
Ships and Vessels	25 SL	1,950,592	1,662,816	287,776
Small Boats	10 SL	26,768	18,761	8,007
Construction in Progress	N/A	<u>29,649</u>	<u>-</u>	<u>29,649</u>
<b>Total</b>		<b><u>\$ 2,216,780</u></b>	<b><u>\$ 1,780,478</u></b>	<b><u>\$ 436,302</u></b>

**Note 8. Liabilities Not Covered by Budgetary Resources:****As of September 30, 2011**

	<u>FY 2011</u>	<u>FY 2010</u>
<b>Intragovernmental:</b>		
Other Liabilities	\$ 35,766	\$ 90,673
<b>Public:</b>		
Federal Employee and Veterans' Benefits Payable	18,108	19,274
Environmental and Disposal Liabilities	310,687	307,355
Other Liabilities	<u>15,516</u>	<u>16,356</u>
Liabilities Not Covered by Budgetary Resources	\$ 466,206	\$ 433,658
Liabilities Covered by Budgetary Resources	<u>648,780</u>	<u>746,117</u>
<b>Total Liabilities</b>	<b><u>\$ 1,028,857</u></b>	<b><u>\$ 1,179,775</u></b>

**Note 9. Debt:**

	<u>FY 2011</u>	<u>FY 2010</u>
Debt to the Treasury	<u>\$ 199,417</u>	<u>\$ 296,058</u>

**Note 10. Federal Employee Benefits Payable:**

	<u>FY 2011</u>	<u>FY 2010</u>
Intragovernmental Liability for FECA	\$ 4,004	\$ 4,113
Expected Future Liability for FECA	<u>18,108</u>	<u>19,274</u>
<b>Total Federal Employee Benefits Payable</b>	<b><u>\$ 22,112</u></b>	<b><u>\$ 23,387</u></b>

**Note 11. Environmental and Disposal Liabilities:**

	<u>September 30, 2011</u>	<u>September 30, 2010</u>
Environmental Liabilities:		
Environmental Remediation	\$ 96,175	\$ 81,675
Ship Disposal	<u>214,512</u>	<u>225,680</u>
<b>Total Environmental Liabilities</b>	<b><u>\$ 310,687</u></b>	<b><u>\$ 307,355</u></b>

**Note 12. Grant Accrual:**

	<u>FY 2011</u>	<u>FY 2010</u>
Grant Liabilities Accrued	<u>\$ 997</u>	<u>\$ 1,979</u>

**Note 13. Other Liabilities:**

As of September 30, 2011

**Funded Intragovernmental Other Liabilities**

	<u>Non-Current</u> <u>Liabilities</u>	<u>Current</u> <u>Liabilities</u>	<u>Total</u>
Advances and Prepayments	\$ -	\$ 136,603	\$ 136,604
Uncleared Disbursements and Collections	-	119	119
Other Liabilities for Non-Entity Assets	-	106,714	106,714
Other Liabilities	<u>-</u>	<u>5,970</u>	<u>5,970</u>
<b>Total Funded Intra-Governmental Other Liabilities</b>	<b><u>\$ -</u></b>	<b><u>\$ 249,406</u></b>	<b><u>\$ 249,407</u></b>

**Note 13. Other Liabilities continued:**

As of September 30, 2011

**Unfunded Intragovernmental Other Liabilities**

	<u>Non-Current Liabilities</u>	<u>Current Liabilities</u>	<u>Total</u>
<b><u>Federal Employees Compensation Act (FECA):</u></b>			
2013 Bill (Non-Current)	\$ 1,720	\$ -	\$ 1,720
2011 Bill (Current)		1,838	1,838
Quarter of FY 2013 (Non-Current)	446	\$ -	446
Total FECA Liabilities	\$ 2,166	\$ 1,838	\$ 4,004
Other Accrued Liabilities -	-	31,343	31,343
Other Unfunded Employment Related Liabilities	-	419	419
<b>Total Unfunded Intra-Governmental Other Liabilities</b>	<b>\$ 2,166</b>	<b>\$ 33,601</b>	<b>\$ 35,766</b>
<b>Total Unfunded Intragovernmental Other Liabilities</b>	<b>\$ 2,166</b>	<b>\$ 283,007</b>	<b>\$ 285,173</b>

As of September 30, 2011

**Funded Public Other Liabilities**

	<u>Non-Current Liabilities</u>	<u>Current Liabilities</u>	<u>Total</u>
Accrued Pay and Benefits	-	5,478	5,478
Uncleared Disbursements and Collections	-	(119)	(119)
Advances and Prepayments	-	3,884	3,884
Deposit Funds	-	137	137
Deferred Credits	-	2,220	2,220
Other	-	(10)	(10)
<b>Total Funded Public Other Liabilities</b>	<b>\$ -</b>	<b>\$ 11,590</b>	<b>\$ 11,590</b>

As of September 30, 2011

**Unfunded Public Other Liabilities**

	<u>Non-Current Liabilities</u>	<u>Current Liabilities</u>	<u>Total</u>
Accrued Pay and Benefits	\$ -	\$ 7,409	\$ 7,409
Other	-	8,107	8,107
Total Unfunded Public Other Liabilities	\$ -	15,516	\$ 15,516
<b>Total Public Other Liabilities</b>	<b>\$ -</b>	<b>\$ 27,106</b>	<b>\$ 27,106</b>
<b>Total Other Liabilities</b>	<b>\$ 2,166</b>	<b>\$ 396,241</b>	<b>\$ 312,279</b>



**Note 14. Earmarked Funds:****Balance Sheet****As of September 30, 2011****Assets**

Fund Balance with Treasury	\$	32,831
Investments, Net		44,405
Property, Plant & Equipment		3,590
<b>Total Assets</b>	<b>\$</b>	<b><u>80,826</u></b>

**Liabilities and Net Position**

Accounts Payable (Non-Federal)	\$	74
Cumulative Results of Operations		80,751
<b>Total Liabilities and Net Position</b>	<b>\$</b>	<b><u>80,826</u></b>

**Statement of Net Cost**

For the Period Ended September 30, 2011

Program Costs (Federal)	\$	31,482
Program Costs (Non-Federal)		14
Less Earned Revenue (Federal)		318
Less Earned Revenue (Non-Federal)		23,000
<b>Net Program Costs</b>	<b>\$</b>	<b>8,178</b>
Less Earned Revenues Not Assigned to Programs		-
<b>Net Cost of Operations</b>	<b>\$</b>	<b><u>8,178</u></b>

**Statement of Changes in Net Position  
(For the Period Ended September 30, 2011)**

Beginning Net Position	\$	87,717
Budgetary Financing Sources		1,212
Net Cost of Operations		8,178
<b>Net Position End of Period</b>	<b>\$</b>	<b><u>80,751</u></b>

**Note 15. Intragovernmental Costs and Exchange Revenues:**

	<b>FY 2011</b>		
	<u><b>Intragovernmental</b></u>	<u><b>With the Public</b></u>	<u><b>Total</b></u>
Gross Costs	\$ 98,823	\$ 772,347	\$ 871,170
Less Earned Revenue	<u>354,389</u>	<u>25,499</u>	<u>379,888</u>
<b>Net Program Costs</b>	<u><b>\$ (255,566)</b></u>	<u><b>\$ 746,848</b></u>	<u><b>\$ 491,282</b></u>

	<b>FY 2010</b>		
	<u><b>Intragovernmental</b></u>	<u><b>With the Public</b></u>	<u><b>Total</b></u>
Gross Costs	\$ 285,992	\$ 816,446	\$ 1,102,438
Less Earned Revenue	<u>469,751</u>	<u>62,118</u>	<u>531,869</u>
<b>Net Program Costs</b>	<u><b>\$ (183,759)</b></u>	<u><b>\$ 754,328</b></u>	<u><b>\$ 570,569</b></u>

**Obligations Incurred in FY 2011**

	<u><b>Direct</b></u>	<u><b>Reimbursable</b></u>	<u><b>Total</b></u>
Category A	\$ 59,529	\$ -	\$ 59,529
Category B	553,329	395,618	948,947
Exempt from Apportionment	<u>24,530</u>	<u>-</u>	<u>24,530</u>
<b>Total</b>	<u><b>\$ 637,388</b></u>	<u><b>\$ 395,618</b></u>	<u><b>\$ 1,033,006</b></u>

**Obligations Incurred in FY 2010**

	<u><b>Direct</b></u>	<u><b>Reimbursable</b></u>	<u><b>Total</b></u>
Category A	\$ 50,457	\$ 286,726	\$ 337,183
Category B	818,910	81,209	900,119
Exempt from Apportionment	<u>28,676</u>	<u>-</u>	<u>28,676</u>
<b>Total</b>	<u><b>\$ 898,043</b></u>	<u><b>\$ 367,935</b></u>	<u><b>\$ 1,265,978</b></u>

	<u><b>September 30, 2011</b></u>	<u><b>September 30, 2010</b></u>
Available Borrowing Authority	\$ 195,000	\$ 319,363
Undelivered Orders, Unpaid	\$ 348,240	\$ 310,378

## REPORTING OF ADMINISTERED AND OVERSIGHT FUNDS

MARAD's overall mission includes significant program activities funded from sources other than its annual appropriation. MARAD receives funds via interagency agreements, transfers and allocations to support the programs of a number of Departments and agencies, including DoD/U.S. Navy, Federal Highway Administration (FHWA), and others. In FY 2011, while the agency's appropriations totaled \$365 million, the table below illustrates that the total funds received was \$1.2 billion.

The comprehensive Maritime Administration funding summary below includes appropriated and non-appropriated funds. The Non-appropriated Funds section and the additional information provided below fulfill the 46 U.S.C. § 50111(b) reporting requirement which states:

**(b) Administered and oversight funds.** The Secretary, in the report required under subsection (a) and in the annual budget estimate for the Maritime Administration submitted to Congress, shall state separately the amount, source, intended use, and nature of any funds (other than funds appropriated to the Administration or to the Secretary of Transportation for use by the Administration) administered, or subject to oversight, by the Administration.

### Comprehensive Maritime Administration Funding Summary (Including Funds Not Appropriated to MARAD) (\$000)

	<u>FY 2010</u>	<u>FY 2011</u>
<b><u>Appropriated Funds</u></b>		
Operations and Training	\$ 149,750	\$ 157,197
Assistance to Small Shipyards	15,000	9,980 <sup>1</sup>
Ship Disposal Program	15,000	14,970
Maritime Security Program	174,000	173,652
Port of Guam Improvement Enterprise Fund	50,000 <sup>2</sup>	-
Maritime Guaranteed Loan Program (Title XI)	9,000	8,982
<b>Subtotal Appropriated Funds</b>	<b><u>\$ 412,750</u></b>	<b><u>\$ 364,781</u></b>
<b><u>Other Budget Authority:</u></b>		
Ocean Freight Differential	175,000	175,000
Maritime Guaranteed Loan Programs - Subsidy Reestimate	55,762	82,426
<b>Subtotal Other Budget Authority</b>	<b><u>\$ 230,762</u></b>	<b><u>\$ 257,426</u></b>
<b><u>Non-appropriated Funds:</u></b>		
Vessel Operations Revolving Fund	360,926	8,176
Ready Reserve Force	-	408,836
Operations and Training	15,317	10,247
Maritime Guaranteed Loan Program (Title XI)	29,912 <sup>3</sup>	40,000 <sup>4</sup>
Gifts and Bequests	491	1,212
Special Studies, Services, and Projects	41,600	23,000
FHWA Allocations	4,550	-
OST Allocations	120,440	94,540
USMMA Non-Appropriated Fund Instrumentalities (NAFIs)	9,645	5,979
<b>Subtotal Non-Appropriated Funds</b>	<b><u>\$ 582,881</u></b>	<b><u>\$ 591,990</u></b>
<b>Total Funds</b>	<b><u>\$ 1,226,393</u></b>	<b><u>\$ 1,214,197</u></b>

<sup>1</sup> Includes funding provided under the American Recovery and Reinvestment Act of 2009.

<sup>2</sup> Includes funding transferred to MARAD from the Department of Defense per P.L. 111-212.

<sup>3</sup> Includes reimbursable funding provided to MARAD from the Department of Defense per P.L. 111-118.

<sup>4</sup> Includes reimbursable funding provided to MARAD from the Department of Defense per P.L. 112-10.

Following are descriptions of program activities supported by funding not appropriated directly to MARAD:

***Vessel Operations Revolving Fund***

For FY 2010, the Vessel Operations and Revolving Fund (VORF) included funds provided by DOD to MARAD on a reimbursable basis for support of the National Defense Reserve Fleet (NDRF) for various training activities and custodial services. Additionally, funding from other federal entities such as NOAA and USCG were received into this account. Reimbursable funding was moved to the RRF appropriations account in FY 2011 as indicated in the FY 2011 Congressional Budget justification. VORF also receives receipts attributable to the sale of obsolete vessels in the NDRF that are sold for scrapping. These funds can support NDRF maintenance and operations, the maritime academies and heritage assets. In addition, VORF receives collections of rental payments from the Port of New Orleans for the pier owned by MARAD that can be used for repairs and utilities for the pier.

***Ready Reserve Force***

Beginning in FY 2011, this account includes funds provided by DOD to MARAD on a reimbursable basis for support of the Ready Reserve Fleet (RRF) and National Defense Reserve Fleet (NDRF). (This funding was previously administered in the VORF account as indicated above.) In addition to the RRF appropriated DOD funding, receipts from the Mission Defense Agency; Army Corp of Engineers; US Coast Guard and NOAA are received into this account.

***Operations & Training***

This account includes funding transfers to MARAD, reimbursable funding provided to MARAD from other Federal agencies, and collections. Notably, FTA transferred \$5.75 million to MARAD to support the Hawaii port project in FY 2011. MARAD provides federal oversight and coordination of port projects, to act as a central procurement organization, leveraging federal and non-federal funding resources, and streamlining the environmental review and permitting process. Reimbursements are derived from interagency agreements to support the programs of a number of Federal agencies. Reimbursable activity in this account also includes collections received by the agency.

***Maritime Guaranteed Loan Program (Title XI)***

Title XI subsidy funds were provided to the Maritime Administration from the Department of Defense in FY 2010 (\$29.9 million per Public Law 111-118) and FY 2011 (\$40 million per Public Law 112-10).

***Gifts and Bequests***

MARAD receives gifts and bequests from external contributors, individuals and organizational donors. The agency receives restricted and unrestricted gifts and bequests. Restricted gifts specify the purpose for the contributed funding. Unrestricted gifts can be applied to agency priorities. Gifts and bequests received by MARAD are primarily for the USMMA.

***Special Studies, Services and Projects***

MARAD may receive funding from non-Federal sources, including states, municipalities, and private entities for collaborative cost-sharing efforts advancing maritime missions. Funds received in FY 2010 and 2011 were from the Port of Anchorage Municipality for the redevelopment and expansion of the port facility.

**Federal Highway Administration (FHWA) Allocations**

MARAD received \$4.5 million allocated from FHWA ARRA funds for an infrastructure investment grant to the Toledo Port Authority for a crane acquisition and loading system.

**OST Allocations**

The Office of the Secretary of Transportation (OST) has allocated funds to MARAD within the TIGER (Transportation Investment Generating Economic Recovery) Discretionary Grant Program for port projects, including activities in California, Florida, Illinois, Oregon, Rhode Island, and Tennessee.

**United States Merchant Marine Academy (USMMA) Non-Appropriated Fund Instrumentalities (NAFIs)**

This represents funds received by USMMA NAFIs which are used to provide or assist programs and services primarily for the benefit of USMMA midshipmen and employees. The NAFI receives funds primarily from program revenues and during FY 2010 midshipman fees. The NAFIs include: Athletic Association, Chapel, Cultural Events, Employees Association, Faculty & Staff Housing, Melville Hall, Morale, Museum, Ship’s Service, Midshipman Publications, and Global Maritime & Transportation School. More detailed information on each NAFI is provided below.

**Additional Information for USMMA Non-Appropriated Funds:**

The following section for the USMMA non-appropriated funds provides additional information on the source of the funds and intended use for the Academy’s general collections, midshipman fees, graduate program and gifts & bequests and includes a breakdown for each individual NAFI.

USMMA Non-Appropriated Funds FY 2010 Revenues and Obligations/Expenditures (\$000)				
	Unobligated Balance 9/30/2009	Revenues	Obligations/ Expenditures	Unobligated Balance 9/30/2010
General Collections	\$0	\$ 224	\$ 141	\$ 83
Midshipman Fees Academic Year 2010/2011	0	1,076	257	819
Graduate Program	0	233	72	161
Gifts & Bequests <sup>1</sup>	1,195	491	475	1,211
<b>Grand Total</b>	<b>\$ 1,195</b>	<b>\$ 2,024</b>	<b>\$ 945</b>	<b>\$ 2,274</b>

<sup>1</sup> 9/30/2009 unobligated balance levels also include FY 2010 prior year recoveries.

USMMA Non-Appropriated Funds FY 2011 Revenues and Obligations/Expenditures (\$000)				
	Unobligated Balance 9/30/2010	Revenues	Obligations/ Expenditures	Unobligated Balance 9/30/2011
General Collections	\$0	\$ 309	\$ 159	\$ 150
Midshipman Fees Academic Year 2010/2011	819	(138)	586	95
Midshipman Fees Academic Year 2011/2012	0	1,123	1,027	96
Graduate Program	161	162	148	175
Gifts & Bequests <sup>1</sup>	1,219	1,212	451	1,980
<b>Grand Total</b>	<b>\$ 2,199</b>	<b>\$ 2,668</b>	<b>\$ 2,371</b>	<b>\$ 2,496</b>

<sup>1</sup> 9/30/2010 unobligated balance levels also include FY 2011 prior year recoveries.

**These collections are deposited into the U.S. Treasury account and revenue and expenditure transactions are recorded in the MARAD accounting system.**

General Collections: Revenues are primarily from the housing quarters rent and use of Academy assets such as office space, tower and training vessels. The obligations/expenditures are for the maintenance expenses of the housing quarters.

Midshipman Fees: Revenues are from fees collected from each midshipman to pay for personal expenses such as laundry, haircutting, tailor services, personal laptops, and supplementary health insurance coverage. The obligations/expenditures are the costs of providing these goods and services.

Graduate Program: Revenues are the tuition received from the graduate students attending the program. The obligations/expenditures are the amounts for the operating expenses of the program including adjunct professor salaries and operating supplies and internet service.

Gifts & Bequests: Revenues are gift and bequest donations received from external individuals and organizations. The Academy receives restricted gifts which specify a specific purpose for the contribution. The Academy also receives unrestricted gifts which do not identify a specific purpose and is applied to the Academy's priorities for funding. The obligations/expenditures from the gift fund was used to support the Athletics and Waterfront Departments and general expenses for the chapel, museum, graduation, midshipmen moral activities, Academic Dean, and restoration of the Melville Hall Deck.

**The following charts provide revenue and expenditure amounts for each individual NAFI followed by a description of the source and intended use of the funds. These funds are held in commercial bank accounts.**

USMMA Non-Appropriated Fund Instrumentality (NAFI) FY 2010 Revenues and Expenditures (S000)				
	Balance 9/30/2009	Receipts	Expenditures	Balance 9/30/2010
Athletic Association	\$ 22	\$ 48	\$ 68	\$ 2
Chapel	8	17	20	5
Cultural Events	18	0	0	18
Employees Association	35	4	6	33
Faculty & Staff Housing	27	6	14	19
Melville Hall	105	903	903	105
Morale	120	3	11	112
Museum	6	0	0	6
Music Program	1	0	0	1
Ship's Service	423	863	876	410
Midshipman Publications <sup>1</sup>	79	4	83	0
Global Maritime & Transportation School (GMATS)	<u>4,116</u>	<u>7,797</u>	<u>8,172</u>	<u>3,741</u>
<b>Grand Total</b>	<b>\$ 4,960</b>	<b>\$ 9,645</b>	<b>\$ 10,153</b>	<b>\$ 4,452</b>

<sup>1</sup> The Midshipman Publications NAFI was closed during FY 2010.

USMMA Non-Appropriated Fund Instrumentality (NAFI) FY 2011 Revenues and Expenditures (S000)				
	Balance 9/30/2010	Receipts	Expenditures	Balance 9/30/2011
Athletic Association <sup>1</sup>	\$ 2	\$0	\$ 2	\$0
Chapel <sup>1</sup>	5	11	16	0
Cultural Events <sup>1</sup>	18	0	18	0
Employees Association	33	3	3	33
Faculty & Staff Housing <sup>1</sup>	19	0	19	0
Melville Hall	105	742	731	116
Morale	112	0	0	112
Museum <sup>1</sup>	6	0	6	0
Music Program <sup>1</sup>	1	0	1	0
Ship's Service <sup>1</sup>	410	0	410	0
Global Maritime & Transportation School (GMATS)	<u>3,741</u>	<u>5,223</u>	<u>5,794</u>	<u>3,170</u>
<b>Grand Total</b>	<b>\$ 4,452</b>	<b>\$ 5,979</b>	<b>\$ 7,000</b>	<b>\$ 3,431</b>

<sup>1</sup> The following seven NAFIs were closed during FY 2011: Athletic Association, Chapel, Cultural Events, Faculty and Staff Housing, Museum, Music Program and Ship's Service. The expenditure amount provided for these include the remaining balance that was withdrawn to close the account.

Athletic Association: The NAFI supported the athletic program. The funds were received from the Alumni Association and used for coaching staff. The NAFI was closed during FY 2011.

Chapel: Receipts came from weekly offerings during services and weddings. Funds were used to purchase chalices, vestment and other religious articles for church services. NAFI was closed during FY 2011.

Cultural Events: The NAFI promoted midshipmen participation in cultural activities. There was no activity during FY 2010 and FY 2011 and the fund was closed during FY 2011.

Employees Association: Receipts came from membership fees and fees collected for participation in various sponsored events. Funds were used for athletic events; cookouts and group tickets for theater and other cultural events.

Faculty & Staff Housing: During FY 2010 receipts came from employee rental of properties owned by the Alumni Association but managed by the USMMA. Funds were used to pay the Alumni Association. There was no activity during FY 2011 and the account was closed.

Melville Hall: Funds were received from customers using the dining facility for meals and hosting events such as weddings and meetings and providing lodging. Funds were used for the purchase of supplies, equipment and maintenance and employee salaries.

Morale: During FY 2010, funds were received from soda commissions and used for midshipman activities. There was no activity during FY 2011.

Museum: There was no activity during FY 2010 and FY 2011 and the fund was closed during FY 2011.

Music Program: There was no activity during FY 2010 and FY 2011 and the fund was closed during FY 2011.

Ship's Service: The NAFI provided books and uniforms, barbering, tailoring and laundry services and miscellaneous sundry items to midshipman during FY 2010. The funds were received from the midshipman for the sale of goods or services and were used to purchase the items or pay for the services provided. There was no activity during FY 2011 and the account was closed.

Midshipmen's Publications: During FY 2010 receipts were from midshipman fees and were used to pay for the yearbook publication. The NAFI was closed in FY 2010.

Global Maritime & Transportation School (GMATS): Funds were received from customers for attendance at specialized maritime training courses. The funds were used for the operating costs of the training school including employee salaries, equipment lease and maintenance, IT network support, insurance, printing, transportation and travel.

## Government Sponsored Cargoes for FY 2010 & 2011

### GOVERNMENT-SPONSORED CARGOES—FY 2010

(Note: These numbers do not include domestic shipments)

#### PUBLIC LAW 83-664 CARGOES:

Program	U.S.-Flag Revenue (\$1,000)	Total Metric Tons	U.S.-Flag Metric Tons	Percentage U.S.-Flag Tonnage
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#### Agency for International Development (AID):

##### P.L. 480 - Title II

Bulker	124,808	1,103,238	898,508	81.4 %
Liner	140,313	941,976	707,604	75.1%
Tanker	12,750	79,101	74,743	94.5%
TOTAL	<b>277,972</b>	<b>2,124,314</b>	<b>1,680,855</b>	<b>79.1%</b>

#### Department of Agriculture:

##### Food for Progress

Bulker	18,442	87,224	87,224	100.0%
Liner	5,144	25,693	23,843	92.8%
Tanker	4,748	33,441	23,000	68.8%
TOTAL	<b>28,334</b>	<b>146,358</b>	<b>134,068</b>	<b>91.6%</b>

##### Food for Education

Bulker	15,560	61,849	61,849	100.0%
Liner	14,904	55,009	47,792	86.9%
TOTAL	<b>30,464</b>	<b>116,858</b>	<b>109,641</b>	<b>93.8%</b>

<b>TOTALS</b>	<b><u>336,770</u></b>	<b><u>2,387,530</u></b>	<b><u>1,924,564</u></b>	<b><u>80.6%</u></b>
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**GOVERNMENT-SPONSORED CARGOES—FY 2010 (continued)**

(Note: These numbers do not include domestic shipments)

Program	U.S.-Flag Revenue (\$1,000)	Total Metric Tons	U.S.-Flag Metric Tons	Percentage U.S.-Flag Tonnage
<b>American Recovery and Reinvestment Act:</b>				
--Liner	400	563	0	0%
<b>Congressional Supplementary:</b>				
<b>Iraq Reconstruction</b>				
--Liner	66	81	81	100%
<b>Defense Security Cooperative Agency:</b>				
<b>Foreign Military Funding</b>				
--Liner	7,468	28,791	21,851	76%
<b>Fuel: Israel</b>				
--Tanker	20,663	383,308	383,308	100%
<b>Department of Agriculture:</b>				
--Liner	144	608	587	97%
<b>Department of Defense:</b>				
<b>Defense Supply Center</b>				
--Liner	262	501	501	100%
<b>USACE/Civilian</b>				
--Liner	296	649	0	0%
<b>Department of State:</b>				
<b>Embassy Secure Cargo</b>				
--Liner	1,122	1,370	1,223	89%
<b>Overseas Building Office</b>				
--Liner	3,788	15,427	10,852	70%
<b>Transportation Travel Management</b>				
--Liner	210	182	179	98%
<b>U.S. Dispatch</b>				
--Liner	14,966	18,603	11,140	60%

**GOVERNMENT-SPONSORED CARGOES—FY 2010 (continued)**

(Note: These numbers do not include domestic shipments)

Program	U.S.-Flag Revenue (\$1,000)	Total Metric Tons	U.S.-Flag Metric Tons	Percentage U.S.-Flag Tonnage
<b>Department of Transportation:</b>				
<b>Federal Transit Administration</b>				
--Liner	12,759	8,797	5,224	59%
<b>Export-Import Bank:</b>				
<b>Public Resolution 17</b>				
--Liner	46,383	60,960	59,270	97%
<b>General Services Administration (GSA):</b>				
<b>CHAMP</b>				
--Liner	36	56	31	55%
<b>GSA</b>				
--Liner	1,703	3,373	3,358	99%
<b>U.S. Agency for International Development (AID):</b>				
<b>AID Loans and Grants</b>				
--Liner	1,008	10,977	5,423	49%
<b>AIDS Prevention</b>				
--Liner	382	28,504	508	2%
<b>TOTALS</b>	<b><u>111,656</u></b>	<b><u>562,750</u></b>	<b><u>503,536</u></b>	<b><u>89%</u></b>

GOVERNMENT-SPONSORED CARGOES--2010 (Continued)  
 (Note: These numbers do not include domestic shipments)

**DEPARTMENT OF DEFENSE MILITARY CONTRACTS**  
 (Subject to the Military Cargo Preference Act of 1904)

**FISCAL YEAR 2010**

Flag	Measurement Tons Dry Cargo	Percentage U.S.-Flag	
		Tonnage Total Metric Tons Dry Cargo	Tonnage Total Metric Tons Petroleum

**Military Contract Cargoes:**

U.S.-flag privately-owned vessels	7,310,933	83%	n/a	n/a
Foreign-flag privately-owned vessels	706,719	n/a	n/a	n/a
U.S. Government-owned vessels	0	0%	1,785,101	38%
Chartered U.S.-flag vessels	742,573	1%	2,241,040	47%
Chartered foreign-flag vessels	20,240	n/a	718,296	n/a
<b>Total Military Contract Cargoes:</b>	<b>8,780,465</b>	<b>84%</b>	<b>4,744,437</b>	<b>85%</b>

	Total Metric Tons	U.S.-Flag Metric Tons	Percentage U.S.-Flag Tonnage
<b><u>Commercial Contractor Cargoes</u></b>	41,319	38,940	94%
<b><u>Personal Property Shipments</u></b>	82,745	82,745	100%

	Total Measurement Tons	U.S.-Flag Measurement Tons	Percentage U.S.-Flag Tonnage
<b><u>POV Shipments</u></b>	794,076	778,010	98%

**Military U.S.-Flag Revenues:**

Dry Cargo	\$1,414,384,998
Commercial Contractor Cargoes	\$15,588,319
Personal Property Shipments	\$254,939,804
POV Shipments	\$59,372,871
Petroleum	\$56,912,960
<b>Total U.S.-Flag Revenue</b>	<b>\$1,801,198,952</b>

**Notes:**

1. Tonnages and revenues for military contract cargoes are reported by MSC and SDDC. Tonnages are from vessel manifests and lift reports of ocean carriers, and from DOD booking and payment systems to ocean carriers that carry DOD sponsored cargo by liner contract or charter contract during the fiscal year. Foreign Military Sales cargoes are excluded. “U.S.-flag privately-owned vessels” and “foreign-flag vessels” represent cargoes transported by contract with liner carriers.
2. Tonnages and revenues for commercial cargoes are derived from rated ladings submitted by shippers to MARAD’s Office of Cargo Preference and Domestic Trade.
3. Tonnages and revenues for DOD personal property and POV shipments are reported by SDDC from rated ladings submitted for payment by carriers performing under SDDC contract.

**GOVERNMENT-SPONSORED CARGOES—FY 2011**

(Note: These numbers do not include domestic shipments)

**PUBLIC LAW 664 CARGOES:**

Program	U.S.-Flag Revenue (\$1,000)	Total Metric Tons	U.S.-Flag Metric Tons	Percentage U.S.-Flag Tonnage
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**Agency for International Development (AID):**

## P.L. 480 - Title II

Bulker	88,333	829,369	657,451	79.3 %
Liner	106,577	674,730	492,534	73.0%
Tanker	1,441	12,507	8,698	69.5%
<b>TOTAL</b>	<b><u>196,351</u></b>	<b><u>1,516,606</u></b>	<b><u>1,158,684</u></b>	<b><u>76.4%</u></b>

**Department of Agriculture:**

## Food for Progress

Bulker	22,984	170,200	170,200	100.0%
Liner	8,617	31,021	29,279	94.4%
Tanker	9,207	42,817	19,999	46.7%
<b>TOTAL</b>	<b><u>40,809</u></b>	<b><u>244,038</u></b>	<b><u>219,478</u></b>	<b><u>89.9%</u></b>

## Food for Education

Bulker	5,892	30,161	30,161	100.0%
Liner	15,999	74,282	60,236	81.1%
<b>TOTAL</b>	<b><u>21,891</u></b>	<b><u>104,443</u></b>	<b><u>90,397</u></b>	<b><u>86.6%</u></b>

<b>TOTALS</b>	<b><u>259,050</u></b>	<b><u>1,865,087</u></b>	<b><u>1,468,560</u></b>	<b><u>78.7%</u></b>
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**GOVERNMENT-SPONSORED CARGOES—FY 2011 (continued)**

(Note: These numbers do not include domestic shipments)

Program	U.S.-Flag Revenue (\$1,000)	Total Metric Tons	U.S.-Flag Metric Tons	Percentage U.S.-Flag Tonnage
<b>American Recovery and Reinvestment Act:</b>				
--Liner	145	307	0	0%
<b>Defense Security Cooperative Agency:</b>				
<b>Foreign Military Funding</b>				
--Liner	8,203	26,877	18,227	68%
<b>Fuel: Israel</b>				
--Tanker	18,720	342,173	342,173	100%
<b>Department of Agriculture:</b>				
--Liner	49	157	157	100%
<b>Department of Defense:</b>				
<b>Defense Supply Center</b>				
--Liner	21	22	22	100%
<b>Department of Energy:</b>				
--Liner	3,008	85,809	16,040	19%
<b>Department of State:</b>				
<b>Embassy Secure Cargo</b>				
--Liner	1,544	1,390	1,199	86%
<b>Overseas Building Office</b>				
--Liner	4,158	13,478	11,239	83%
<b>Transportation Travel Management</b>				
--Liner	20	16	12	74%
<b>U.S. Dispatch</b>				
--Liner	13,891	22,995	10,824	47%

**GOVERNMENT-SPONSORED CARGOES—FY 2011 (continued)**

(Note: These numbers do not include domestic shipments)

Program	U.S.-Flag Revenue (\$1,000)	Total Metric Tons	U.S.-Flag Metric Tons	Percentage U.S.-Flag Tonnage
<b>Department of Transportation:</b>				
<b>Federal Transit Administration</b>				
--Liner	9,621	5,167	3,534	32%
<b>Export-Import Bank:</b>				
<b>Public Resolution 17</b>				
--Liner	44,994	80,193	78,800	98%
<b>General Services Administration:</b>				
<b>CHAMP</b>				
--Liner	96	69	38	55%
<b>GSA</b>				
--Liner	116	228	228	100%
<b>U.S. Agency for International Development (AID):</b>				
<b>AID Loans and Grants</b>				
--Liner	223	2,721	956	35%
<b>AIDS Prevention</b>				
--Liner	33	2,294	157	7%
<b>TOTALS</b>	<b><u>104,842</u></b>	<b><u>583,896</u></b>	<b><u>483,606</u></b>	<b><u>83%</u></b>

GOVERNMENT-SPONSORED CARGOES--2011 (Continued)  
 (Note: These numbers do not include domestic shipments)

**DEPARTMENT OF DEFENSE MILITARY CONTRACTS**  
 (subject to the Military Cargo Preference Act of 1904)

**FISCAL YEAR 2011**

Flag	Measurement Tons Dry Cargo	Percentage U.S.-Flag	Percentage U.S.-	
		Tonnage Total Metric Tons Dry Cargo	Metric Tons Petroleum	Tonnage Total Petroleum
<b><u>Military Contract Cargoes:</u></b>				
U.S.-flag privately-owned vessels	7,384,041	79%	n/a	n/a
Foreign-flag privately-owned vessels	713,786	n/a	n/a	n/a
U.S. Government-owned vessels	94,902	1%	119,367	4%
Chartered U.S.-flag vessels	1,022,746	14%	3,385,174	70%
Chartered foreign-flag vessels	172,154	n/a	1,323,889	n/a
<b>Total Military Contract Cargoes:</b>	<b>9,387,629</b>	<b>94%</b>	<b>4,828,430</b>	<b>74%</b>

	Total Metric Tons	U.S.-Flag Metric Tons	Percentage U.S.-Flag Tonnage
<b><u>Commercial Contractor Cargoes</u></b>	19,427	17,400	90%
<b><u>Personal Property Shipments</u></b>	151,201	151,201	100%

	Total Measurement Tons	U.S.-Flag Measurement Tons	Percentage U.S.-Flag Tonnage
<b><u>POV Shipments</u></b>	809,957	793,570	98%

**Military U.S.-Flag Revenues:**

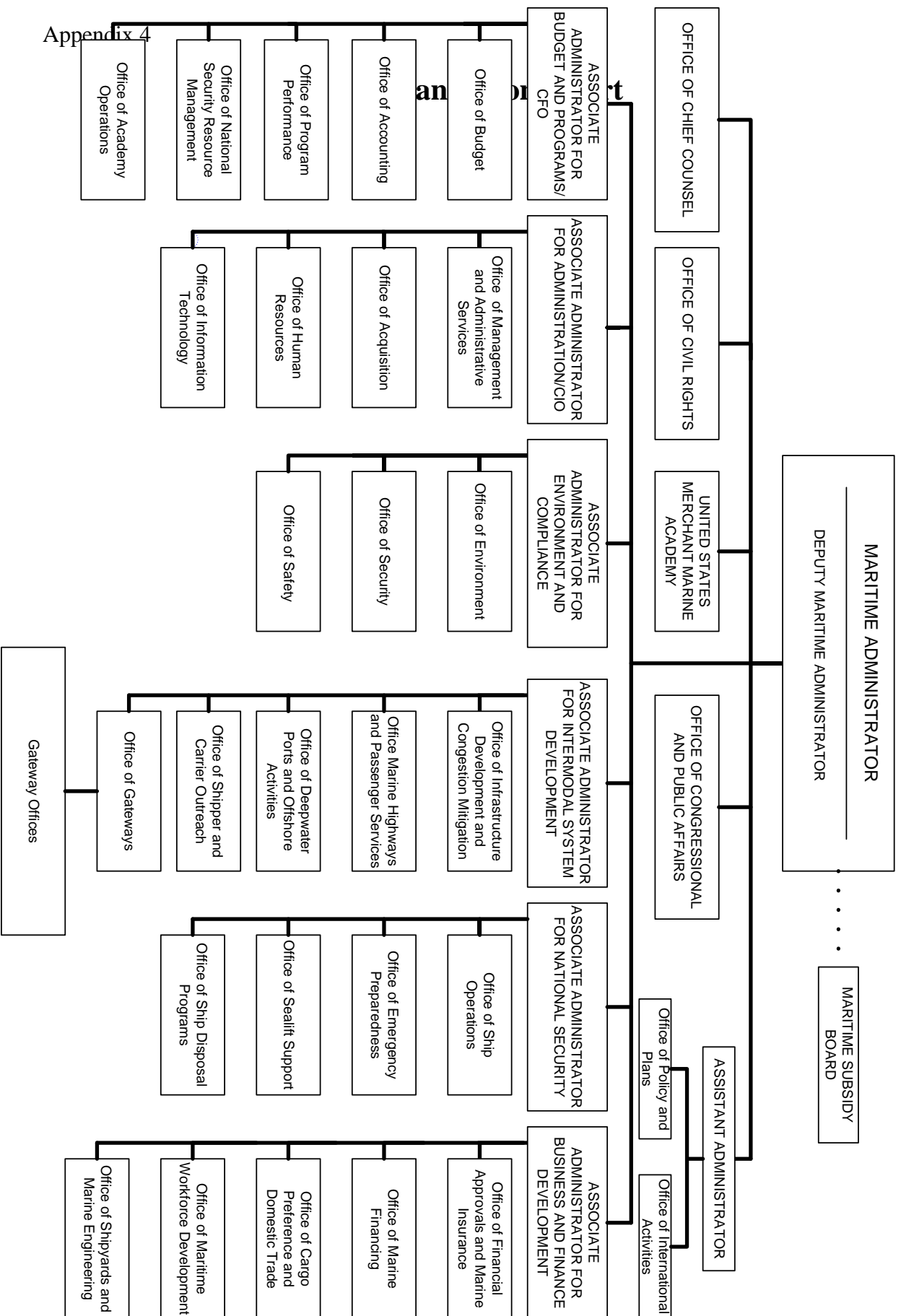
Dry Cargo	\$1,428,600,931
Commercial Contractor Cargoes	\$15,169,248
Personal Property Shipments	\$472,946,711
POV Shipments	\$60,560,328
Petroleum	\$53,669,108
<b>Total U.S.-Flag Revenue</b>	<b>\$2,030,946,326</b>



**Notes:**

4. Tonnages and revenues for military contract cargoes are reported by MSC and SDDC. Tonnages are from vessel manifests and lift reports of ocean carriers, and from DOD booking and payment systems to ocean carriers that carry DOD sponsored cargo by liner contract or charter contract during the fiscal year. Foreign Military Sales cargoes are excluded. “U.S.-flag privately-owned vessels” and “foreign-flag vessels” represent cargoes transported by contract with liner carriers.
5. Tonnages and revenues for commercial cargoes are derived from rated loadings submitted by shippers to MARAD’s Office of Cargo Preference and Domestic Trade.
6. Tonnages and revenues for DOD personal property and POV shipments are reported by SDDC from rated loadings submitted for payment by carriers performing under SDDC contract.

# MARITIME ADMINISTRATION



Appendix 4

Appendix 5

**Maritime Security Program (MSP) Participants as of September 30, 2010**

<b>MSP</b>			
<b><u>Contract No.</u></b>	<b><u>Vessel Name</u></b>	<b><u>Company Name</u></b>	<b><u>Ship Type</u></b>
MA/MSP-48	ENDURANCE	Fidelio Limited Partnership	RO/RO <sup>12</sup>
MA/MSP-49	APL KOREA	APL Marine Services, Ltd.	Containership
MA/MSP-50	APL PHILIPPINES	APL Marine Services, Ltd.	Containership
MA/MSP-51	APL SINGAPORE	APL Marine Services, Ltd.	Containership
MA/MSP-52	APL THAILAND	APL Marine Services, Ltd.	Containership
MA/MSP-53	PRESIDENT ADAMS	APL Marine Services, Ltd.	Containership
MA/MSP-54	PRESIDENT JACKSON	APL Marine Services, Ltd.	Containership
MA/MSP-55	APL CHINA	APL Marine Services, Ltd.	Containership
MA/MSP-56	PRESIDENT POLK	APL Marine Services, Ltd.	Containership
MA/MSP-57	PRESIDENT TRUMAN	APL Marine Services, Ltd.	Containership
MA/MSP-58	GREEN COVE	Central Gull Lines, Inc.	RO/RO
MA/MSP-59	GREEN POINT	Central Gull Lines, Inc.	RO/RO
MA/MSP-60	GREEN LAKE	Central Gull Lines, Inc.	RO/RO
MA/MSP-61	GREEN RIDGE	Central Gull Lines, Inc.	RO/RO
MA/MSP-62	ALLIANCE NORFOLK	Farrell Lines Incorporated	RO/RO
MA/MSP-63	ALLIANCE ST. LOUIS	Farrell Lines Incorporated	RO/RO
MA/MSP-64	MAERSK OHIO	Farrell Lines Incorporated	Containership
MA/MSP-65	MAERSK MONTANA	Farrell Lines Incorporated	Containership
MA/MSP-66	MAERSK IOWA	Farrell Lines Incorporated	Containership
MA/MSP-67	PATRIOT	Fidelio Limited Partnership	RO/RO
MA/MSP-68	FREEDOM	Fidelio Limited Partnership	RO/RO
MA/MSP-69	HONOR	Fidelio Limited Partnership	RO/RO
MA/MSP-70	RESOLVE	Fidelio Limited Partnership	RO/RO
MA/MSP-71	INTEGRITY	Fidelio Limited Partnership	RO/RO
MA/MSP-72	COURAGE	Fidelio Limited Partnership	RO/RO
MA/MSP-73	PRESTIGE NEW YORK	Liberty Global Logistics, LLC	RO/RO
MA/MSP-74	CHARLESTON EXPRESS	Hapag-Lloyd USA, LLC	Geared Containership
MA/MSP-75	ST LOUIS EXPRESS	Hapag-Lloyd USA, LLC	Geared Containership
MA/MSP-76	WASHINGTON EXPRESS	Hapag-Lloyd USA, LLC	Geared Containership
MA/MSP-77	YORKTOWN EXPRESS	Hapag-Lloyd USA, LLC	Geared Containership
MA/MSP-78	PHILADELPHIA EXPRESS	Hapag-Lloyd USA, LLC	Geared Containership
MA/MSP-79	MAERSK MISSOURI	Maersk Line, Limited	Containership
MA/MSP-80	MAERSK VIRGINIA	Maersk Line, Limited	Containership
MA/MSP-81	MAERSK GEORGIA	Maersk Line, Limited	Containership
MA/MSP-82	MAERSK CAROLINA	Maersk Line, Limited	Containership
MA/MSP-83	MAERSK WYOMING	Maersk Line, Limited	Containership
MA/MSP-84	SEA-LAND EAGLE	Maersk Line, Limited	Containership

<sup>12</sup> Roll-On/Roll-Off vessel

MA/MSP-85	SEA-LAND CHAMPION	Maersk Line, Limited	Containership
MA/MSP-86	MAERSK UTAH	Maersk Line, Limited	Containership
MA/MSP-87	SEA-LAND MERCURY	Maersk Line, Limited	Containership
MA/MSP-88	MAERSK WISCONSIN	Maersk Line, Limited	Containership
MA/MSP-89	SEA-LAND CHARGER	Maersk Line, Limited	Containership
MA/MSP-90	SEA-LAND LIGHTNING	Maersk Line, Limited	Containership
MA/MSP-91	SEA-LAND METEOR	Maersk Line, Limited	Containership
MA/MSP-92	SEA-LAND INTREPID	Maersk Line, Limited	Containership
MA/MSP-93	SEA-LAND COMET	Maersk Line, Limited	Containership
MA/MSP-94	MAERSK IDAHO	Maersk Line, Limited	Containership
MA/MSP-95	MAERSK KENTUCKY	Maersk Line, Limited	Containership
MA/MSP-96	ALLIANCE BEAUMONT	Maersk Line, Limited	RO/RO
MA/MSP-97	SEA-LAND RACER	Maersk Line, Limited	Containership
MA/MSP-98	INDEPENDENCE II	American International Shipping, LLC	RO/RO
MA/MSP-99	OVERSEAS MAREMAR	Maremar Tanker LLC	Tanker
MA/MSP-101	OVERSEAS LUXMAR	Luxmar Tanker LLC	Tanker
MA/MSP-102	M/V OCEAN ATLAS	Patriot Shipping LLC	Heavy Lift
MA/MSP-103	M/V OCEAN TITAN	Patriot Titan LLC	Heavy Lift
MA/MSP-104	GREEN BAY	Waterman Steamship Corporation	RO/RO
MA/MSP-105	GREEN DALE	Waterman Steamship Corporation	RO/RO
MA/MSP-106	MAERSK ALABAMA	Waterman Steamship Corporation	Geared Containership
MA/MSP-107	MAERSK CALIFORNIA	Waterman Steamship Corporation	Geared Containership
MA/MSP-108	MAERSK MICHIGAN	Argent Marine Operations, Inc.	Tanker

## MSP Participants as of September 30, 2011

<b>MSP</b>			
<b><u>Contract No.</u></b>	<b><u>Vessel Name</u></b>	<b><u>Company Name</u></b>	<b><u>Ship Type</u></b>
MA/MSP-48	ENDURANCE	Fidelio Limited Partnership	RO/RO
MA/MSP-49	APL KOREA	APL Marine Services, Ltd.	Containership
MA/MSP-50	APL PHILIPPINES	APL Marine Services, Ltd.	Containership
MA/MSP-51	APL SINGAPORE	APL Marine Services, Ltd.	Containership
MA/MSP-52	APL THAILAND	APL Marine Services, Ltd.	Containership
MA/MSP-53	PRESIDENT ADAMS	APL Marine Services, Ltd.	Containership
MA/MSP-54	PRESIDENT JACKSON	APL Marine Services, Ltd.	Containership
MA/MSP-55	APL CHINA	APL Marine Services, Ltd.	Containership
MA/MSP-56	PRESIDENT POLK	APL Marine Services, Ltd.	Containership
MA/MSP-57	PRESIDENT TRUMAN	APL Marine Services, Ltd.	Containership
MA/MSP-58	GREEN COVE	Central Gull Lines, Inc.	RO/RO
MA/MSP-59	GREEN POINT	Central Gull Lines, Inc.	RO/RO
MA/MSP-60	GREEN LAKE	Central Gull Lines, Inc.	RO/RO
MA/MSP-61	GREEN RIDGE	Central Gull Lines, Inc.	RO/RO
MA/MSP-62	ALLIANCE NORFOLK	Farrell Lines Incorporated	RO/RO
MA/MSP-63	ALLIANCE ST. LOUIS	Farrell Lines Incorporated	RO/RO
MA/MSP-64	MAERSK OHIO	Farrell Lines Incorporated	Containership
MA/MSP-65	MAERSK MONTANA	Farrell Lines Incorporated	Containership
MA/MSP-66	MAERSK IOWA	Farrell Lines Incorporated	Containership
MA/MSP-67	PATRIOT	Fidelio Limited Partnership	RO/RO
MA/MSP-68	FREEDOM	Fidelio Limited Partnership	RO/RO
MA/MSP-69	HONOR	Fidelio Limited Partnership	RO/RO
MA/MSP-70	RESOLVE	Fidelio Limited Partnership	RO/RO
MA/MSP-71	INTEGRITY	Fidelio Limited Partnership	RO/RO
MA/MSP-72	COURAGE	Fidelio Limited Partnership	RO/RO
MA/MSP-73	PRESTIGE NEW YORK	Liberty Global Logistics, LLC	RO/RO
MA/MSP-74	CHARLESTON EXPRESS	Hapag-Lloyd USA, LLC	Geared Containership
MA/MSP-75	ST LOUIS EXPRESS	Hapag-Lloyd USA, LLC	Geared Containership
MA/MSP-76	WASHINGTON EXPRESS	Hapag-Lloyd USA, LLC	Geared Containership
MA/MSP-77	YORKTOWN EXPRESS	Hapag-Lloyd USA, LLC	Geared Containership
MA/MSP-78	PHILADELPHIA EXPRESS	Hapag-Lloyd USA, LLC	Geared Containership
MA/MSP-79	MAERSK MISSOURI	Maersk Line, Limited	Containership
MA/MSP-80	MAERSK VIRGINIA	Maersk Line, Limited	Containership
MA/MSP-81	MAERSK GEORGIA	Maersk Line, Limited	Containership
MA/MSP-82	MAERSK CAROLINA	Maersk Line, Limited	Containership
MA/MSP-83	MAERSK WYOMING	Maersk Line, Limited	Containership
MA/MSP-84	SEA-LAND EAGLE	Maersk Line, Limited	Containership
MA/MSP-85	SEA-LAND CHAMPION	Maersk Line, Limited	Containership
MA/MSP-86	MAERSK UTAH	Maersk Line, Limited	Containership
MA/MSP-87	SEA-LAND MERCURY	Maersk Line, Limited	Containership
MA/MSP-88	MAERSK WISCONSIN	Maersk Line, Limited	Containership
MA/MSP-89	SEA-LAND CHARGER	Maersk Line, Limited	Containership

MA/MSP-90	SEA-LAND LIGHTNING	Maersk Line, Limited	Containership
MA/MSP-91	SEA-LAND METEOR	Maersk Line, Limited	Containership
MA/MSP-92	SEA-LAND INTREPID	Maersk Line, Limited	Containership
MA/MSP-93	SEA-LAND COMET	Maersk Line, Limited	Containership
MA/MSP-94	MAERSK IDAHO	Maersk Line, Limited	Containership
MA/MSP-95	MAERSK KENTUCKY	Maersk Line, Limited	Containership
MA/MSP-96	ALLIANCE BEAUMONT	Maersk Line, Limited	RO/RO
MA/MSP-97	SEA-LAND RACER	Maersk Line, Limited	Containership
MA/MSP-98	INDEPENDENCE II	American International Shipping, LLC	RO/RO
MA/MSP-99	OVERSEAS MAREMAR	Maremar Tanker LLC	Tanker
MA/MSP-101	OVERSEAS LUXMAR	Luxmar Tanker LLC	Tanker
MA/MSP-102	M/V OCEAN CHARGER	Patriot Shipping LLC	LO/LO <sup>13</sup>
MA/MSP-103	M/V OCEAN CRESCENT	Patriot Shipping LLC	LO/LO
MA/MSP-104	GREEN BAY	Waterman Steamship Corporation	RO/RO
MA/MSP-105	GREEN DALE	Waterman Steamship Corporation	RO/RO
MA/MSP-106	MAERSK ALABAMA	Waterman Steamship Corporation	Geared Containership
MA/MSP-107	MAERSK CALIFORNIA	Waterman Steamship Corporation	Geared Containership
MA/MSP-108	ALLIANCE CHARLESTON	Argent Marine Operations, Inc.	RO/RO

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<sup>13</sup> Lift-On/Lift-Off vessel.

## Appendix 6

### Voluntary Intermodal Sealift Agreement (VISA) Vessel Listing, September 30, 2010

<u>Vessel Name</u>	<u>Ship Operator</u>	<u>Vessel Type</u>	<u>Program</u> <u>Type</u>
STRONG MARINER	America Cargo Transport Corporation	ITB <sup>14</sup>	International
THUNDER & LIGHTNING	America Cargo Transport Corporation	ITB	International
INDEPENDENCE II	American International Shipping, LLC	RO/RO	MSP
LTC CALVIN P. TITUS	American President Lines, Ltd.	Cont-RO/RO	International
APL AGATE	APL Marine Services, Ltd.	Cont-SS	International
APL CHINA	APL Marine Services, Ltd.	Containership	MSP
APL JAPAN	APL Marine Services, Ltd.	Cont-SS	International
APL KOREA	APL Marine Services, Ltd.	Containership	MSP
APL PHILIPPINES	APL Marine Services, Ltd.	Containership	MSP
APL SINGAPORE	APL Marine Services, Ltd.	Containership	MSP
APL THAILAND	APL Marine Services, Ltd.	Containership	MSP
APL TURQUOISE	APL Marine Services, Ltd.	Cont-SS	International
PRESIDENT ADAMS	APL Marine Services, Ltd.	Containership	MSP
PRESIDENT JACKSON	APL Marine Services, Ltd.	Containership	MSP
PRESIDENT POLK	APL Marine Services, Ltd.	Containership	MSP
PRESIDENT TRUMAN	APL Marine Services, Ltd.	Containership	MSP
AMERICAN TERN	APL Maritime, Ltd.	Cont-RO/RO	International
APL BALBOA	APL Maritime, Ltd.	Cont-SS	International
APL CYPRINE	APL Maritime, Ltd.	Cont-SS	International
APL PEARL	APL Maritime, Ltd.	Cont-SS	International
SP5 ERIC G. GIBSON	APL Maritime, Ltd.	Cont-RO/RO	International
GREEN COVE	Central Gulf Lines, Inc.	RO/RO	MSP
GREEN LAKE	Central Gulf Lines, Inc.	RO/RO	MSP

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<sup>14</sup> Integrated Tug-Barge

GREEN POINT	Central Gulf Lines, Inc.	RO/RO	MSP
GREEN RIDGE	Central Gulf Lines, Inc.	RO/RO	MSP
ALLIANCE NORFOLK	Farrell Lines, Inc.	RO/RO	MSP
ALLIANCE ST. LOUIS	Farrell Lines, Inc.	RO/RO	MSP
MAERSK IOWA	Farrell Lines, Inc.	Containership	MSP
MAERSK MONTANA	Farrell Lines, Inc.	Containership	MSP
MAERSK OHIO	Farrell Lines, Inc.	Containership	MSP
COURAGE	Fidelio Limited Partnership	RO/RO	MSP
ENDURANCE	Fidelio Limited Partnership	RO/RO	MSP
FREEDOM	Fidelio Limited Partnership	RO/RO	MSP
HONOR	Fidelio Limited Partnership	RO/RO	MSP
INTEGRITY	Fidelio Limited Partnership	RO/RO	MSP
LIBERTY	Fidelio Limited Partnership	RO/RO	International
PATRIOT	Fidelio Limited Partnership	RO/RO	MSP
RESOLVE	Fidelio Limited Partnership	RO/RO	MSP
DELTA MARINER	Foss Maritime Company	RO/RO	International
CHARLESTON EXPRESS	Hapag Lloyd, USA , LLC	Geared Container	MSP
PHILADELPHIA EXPRESS	Hapag Lloyd, USA , LLC	Geared Container	MSP
ST LOUIS EXPRESS	Hapag Lloyd, USA , LLC	Geared Container	MSP
WASHINGTON EXPRESS	Hapag Lloyd, USA , LLC	Geared Container	MSP
YORKTOWN EXPRESS	Hapag Lloyd, USA , LLC	Geared Container	MSP
HORIZON ANCHORAGE	Horizon Lines, LLC	Containership	International
HORIZON CHALLENGER	Horizon Lines, LLC	Containership	International
HORIZON CONSUMER	Horizon Lines, LLC	Containership	International
HORIZON DISCOVERY	Horizon Lines, LLC	Containership	Jones
HORIZON EAGLE	Horizon Lines, LLC	Containership	Jones
HORIZON ENTERPRISE	Horizon Lines, LLC	Containership	Jones
HORIZON FAIRBANKS	Horizon Lines, LLC	Containership	International
HORIZON FALCON	Horizon Lines, LLC	Containership	Jones
HORIZON HAWAII	Horizon Lines, LLC	Containership	Jones



HORIZON HAWK	Horizon Lines, LLC	Containership	Jones
HORIZON HUNTER	Horizon Lines, LLC	Containership	Jones
HORIZON KODIAK	Horizon Lines, LLC	Containership	Jones
HORIZON NAVIGATOR	Horizon Lines, LLC	Containership	Jones
HORIZON PACIFIC	Horizon Lines, LLC	Containership	Jones
HORIZON PRODUCER	Horizon Lines, LLC	Containership	Jones
HORIZON RELIANCE	Horizon Lines, LLC	Containership	Jones
HORIZON SPIRIT	Horizon Lines, LLC	Containership	Jones
HORIZON TACOMA	Horizon Lines, LLC	Containership	Jones
HORIZON TIGER	Horizon Lines, LLC	Containership	Jones
HORIZON TRADER	Horizon Lines, LLC	Containership	Jones
LIBERTY PRIDE	Liberty Global Logistics, LLC	RO/RO	Jones
LIBERTY PROMISE	Liberty Global Logistics, LLC	RO/RO	Jones
PRESTIGE NEW YORK	Liberty Global Logistics, LLC	RO/RO	MSP
LIBERTY EAGLE	Liberty Shipping Group Limited Partnership	Bulk Carrier	Jones
LIBERTY GLORY	Liberty Shipping Group Limited Partnership	Bulk Carrier	Jones
LIBERTY GRACE	Liberty Shipping Group Limited Partnership	Bulk Carrier	Jones
LIBERTY SPIRIT	Liberty Shipping Group Limited Partnership	Bulk Carrier	Jones
LIBERTY STAR	Liberty Shipping Group Limited Partnership	Bulk Carrier	International
LIBERTY SUN	Liberty Shipping Group Limited Partnership	Bulk Carrier	International
ALLIANCE BEAUMONT	Maersk Line Ltd.	RO/RO	MSP
ALLIANCE CHARLESTON	Maersk Line Ltd.	RO/RO	International
MAERSK ARKANSAS	Maersk Line Ltd.	Geared Container	International
MAERSK CAROLINA	Maersk Line Ltd.	Containership	MSP
MAERSK CONSTELLATION	Maersk Line Ltd.	RO/RO	International
MAERSK GEORGIA	Maersk Line Ltd.	Containership	MSP
MAERSK IDAHO	Maersk Line Ltd.	Containership	MSP
MAERSK KENTUCKY	Maersk Line Ltd.	Containership	MSP
MAERSK MISSOURI	Maersk Line Ltd.	Containership	MSP
MAERSK TENNESSEE	Maersk Line Ltd.	Cont & RO/RO	International

MAERSK TEXAS	Maersk Line Ltd.	Cont & RO/RO	International
MAERSK UTAH	Maersk Line Ltd.	Containership	MSP
MAERSK VIRGINIA	Maersk Line Ltd.	Containership	MSP
MAERSK WISCONSIN	Maersk Line Ltd.	Containership	MSP
MAERSK WYOMING	Maersk Line Ltd.	Containership	MSP
SEA-LAND CHAMPION	Maersk Line Ltd.	Containership	MSP
SEA-LAND CHARGER	Maersk Line Ltd.	Containership	MSP
SEA-LAND COMET	Maersk Line Ltd.	Containership	MSP
SEA-LAND EAGLE	Maersk Line Ltd.	Containership	MSP
SEA-LAND INTREPID	Maersk Line Ltd.	Containership	MSP
SEA-LAND LIGHTNING	Maersk Line Ltd.	Containership	MSP
SEA-LAND MERCURY	Maersk Line Ltd.	Containership	MSP
SEA-LAND METEOR	Maersk Line Ltd.	Containership	MSP
SEA-LAND RACER	Maersk Line Ltd.	Containership	MSP
KAUAI	Matson Navigation Company, Inc.	Containership	Jones
LIHUE	Matson Navigation Company, Inc.	Containership	Jones
LURLINE	Matson Navigation Company, Inc.	Cont-RO/RO	Jones
MAHI MAHI	Matson Navigation Company, Inc.	Containership	International
MANOA	Matson Navigation Company, Inc.	Containership	International
MANUKAI	Matson Navigation Company, Inc.	Containership	Jones
MANULANI	Matson Navigation Company, Inc.	Containership	Jones
MATSONIA	Matson Navigation Company, Inc.	Cont-RO/RO	Jones
MAUI	Matson Navigation Company, Inc.	Containership	Jones
MAUNALEI	Matson Navigation Company, Inc.	Containership	Jones
MAUNAWILI	Matson Navigation Company, Inc.	Containership	Jones
MOKIHANA	Matson Navigation Company, Inc.	Containership	International
R.J. PFEIFFER	Matson Navigation Company, Inc.	Containership	Jones
NATIONAL GLORY	National Shipping of America, LLC	Containership	Jones
JEAN ANNE	Pasha Hawaii Transport Lines LLC	RO/RO	Jones
OCEAN ATLAS	Patriot Shipping, LLC	Heavylift breakbulk	MSP

OCEAN CHARGER	Patriot Shipping, LLC	Heavylift breakbulk	International
OCEAN CRESCENT	Patriot Shipping, LLC	Heavylift breakbulk	International
OCEAN TITAN	Patriot Titan, LLC	Heavylift breakbulk	MSP
BLACK EAGLE	Red River Holdings, LLC	Containership	International
EOT SPAR	Schuyler Line Navigation Company	Containership	International
EL FARO	Sea Star Line, LLC	RO/RO	Jones
EL MORRO	Sea Star Line, LLC	RO-RO/LO-LO	Jones
EL YUNQUE	Sea Star Line, LLC	RO-RO/LO-LO	Jones
ADVANTAGE	Sealift, Inc.	Breakbulk	International
ASCENSION	Sealift, Inc.	Containership	International
HARRIETTE	Sealift, Inc.	Bulk Carrier	International
MARILYN	Sealift, Inc.	Bulk Carrier	International
NOBLE STAR	Sealift, Inc.	Breakbulk	International
SAGAMORE	Sealift, Inc.	Containership	International
GREAT LAND	Totem Ocean Trailer Express, Inc.	RO/RO	Jones
MIDNIGHT SUN	Totem Ocean Trailer Express, Inc.	RO/RO	Jones
NORTH STAR	Totem Ocean Trailer Express, Inc.	RO/RO	Jones
WESTWARD VENTURE	Totem Ocean Trailer Express, Inc.	RO/RO	Jones
BAFFIN STRAIT	TransAtlantic Lines, LLC	Containership	International
GEYSIR	TransAtlantic Lines, LLC	Containership	International
GREEN BAY	Waterman Steamship Corp.	RO/RO	MSP
GREEN DALE	Waterman Steamship Corp.	RO/RO	MSP
MAERSK ALABAMA	Waterman Steamship Corp.	Geared Container	MSP
MAERSK CALIFORNIA	Waterman Steamship Corp.	Geared Container	MSP

TUGS AND BARGES

Vessel Name	Company Name	Vessel Type
WHITE HILL	A Way to Move, Inc.	Tug
BARGE #15	A Way to Move, Inc.	Barge
AMERICAN TRADER	America Cargo Transport Corporation	Barge
Z BIG 1	America Cargo Transport Corporation	Barge
BAYLEE BEYEL	Beyel Brothers, Inc.	Tug
BLAKE BEYEL	Beyel Brothers, Inc.	Barge

BRANDON BEYEL	Beyel Brothers, Inc.	Tug
BRITTANY BEYEL	Beyel Brothers, Inc.	Tug
GUS J HENRICH	Beyel Brothers, Inc.	Tug
MEGAN BEYEL	Beyel Brothers, Inc.	Tug
MOBRO 1210	Beyel Brothers, Inc.	Barge
SEAMARK III	Beyel Brothers, Inc.	Tug
SINGLETON	Beyel Brothers, Inc.	Tug
COLUMBIA BALTIMORE	Columbia Coastal Transport, LLC	Barge
COLUMBIA CHARLESTON	Columbia Coastal Transport, LLC	Barge
COLUMBIA ELIZABETH	Columbia Coastal Transport, LLC	Barge
COLUMBIA HOUSTON	Columbia Coastal Transport, LLC	Barge
PFE-LB	CRC Marine Services, Inc.	LASH Barge <sup>15</sup>
CRIMSON ACE	Crimson Shipping Co., Inc.	Barge-RO/RO
CRIMSON CLOVER	Crimson Shipping Co., Inc.	Barge-RO/RO
CRIMSON TIDE	Crimson Shipping Co., Inc.	Barge-RO/RO
BARGE 240-1	Crowley Marine Services, Inc.	Barge
BARGE 455-3	Crowley Marine Services, Inc.	Barge
BARGE 455-4	Crowley Marine Services, Inc.	Barge
BARGE 455-5	Crowley Marine Services, Inc.	Barge
BARGE 455-6	Crowley Marine Services, Inc.	Barge
BARGE 455-7	Crowley Marine Services, Inc.	Barge
BARGE 500-1	Crowley Marine Services, Inc.	Barge
BARGE JULIE B	Crowley Marine Services, Inc.	Barge
BARGE MARTY J	Crowley Marine Services, Inc.	Barge
BULWARK	Crowley Marine Services, Inc.	Tug
CAVALIER	Crowley Marine Services, Inc.	Tug
COMMANDER	Crowley Marine Services, Inc.	Tug
CRUSADER	Crowley Marine Services, Inc.	Tug
GLADIATOR	Crowley Marine Services, Inc.	Tug
GUARDSMAN	Crowley Marine Services, Inc.	Tug
HUNTER	Crowley Marine Services, Inc.	Tug
INVADER	Crowley Marine Services, Inc.	Tug
MARINER	Crowley Marine Services, Inc.	Tug
NAVIGATOR	Crowley Marine Services, Inc.	Tug
RANGER	Crowley Marine Services, Inc.	Tug
SATURN	Crowley Marine Services, Inc.	Tug
SENECA	Crowley Marine Services, Inc.	Tug
SIOUX	Crowley Marine Services, Inc.	Tug

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<sup>15</sup> Lighter Aboard Ship.

SPARTAN	Crowley Marine Services, Inc.	Tug
STALWART	Crowley Marine Services, Inc.	Tug
WARRIOR	Crowley Marine Services, Inc.	Tug
ADVENTURER	Crowley Puerto Rico Services, Inc.	Tug
CENTURION	Crowley Puerto Rico Services, Inc.	Tug
DEFENDER	Crowley Puerto Rico Services, Inc.	Tug
EL CONQUISTADOR	Crowley Puerto Rico Services, Inc.	Barge
EL REY	Crowley Puerto Rico Services, Inc.	Barge
ENSIGN	Crowley Puerto Rico Services, Inc.	Tug
EXPLORER	Crowley Puerto Rico Services, Inc.	Tug
FORTALEZA	Crowley Puerto Rico Services, Inc.	Barge
GAUNTLET	Crowley Puerto Rico Services, Inc.	Tug
JACKSONVILLE	Crowley Puerto Rico Services, Inc.	Barge
LA PRINCESA	Crowley Puerto Rico Services, Inc.	Barge
LA REINA	Crowley Puerto Rico Services, Inc.	Barge
MIAMI	Crowley Puerto Rico Services, Inc.	Barge
MONITOR	Crowley Puerto Rico Services, Inc.	Tug
PATRIARCH	Crowley Puerto Rico Services, Inc.	Tug
PILOT	Crowley Puerto Rico Services, Inc.	Tug
PIONEER	Crowley Puerto Rico Services, Inc.	Tug
PONCE	Crowley Puerto Rico Services, Inc.	Barge
SAN JUAN	Crowley Puerto Rico Services, Inc.	Barge
SEA BREEZE	Crowley Puerto Rico Services, Inc.	Tug
SENTINEL	Crowley Puerto Rico Services, Inc.	Tug
SENTRY	Crowley Puerto Rico Services, Inc.	Tug
CORBIN FOSS	Foss Maritime Co.	Tug
DREW FOSS	Foss Maritime Co.	Tug
FOSS 185-C1	Foss Maritime Co.	Barge
FOSS 185-C2	Foss Maritime Co.	Barge
FOSS 185-C3	Foss Maritime Co.	Barge
FOSS 185-C4	Foss Maritime Co.	Barge
JUSTINE FOSS	Foss Maritime Co.	Tug
KAHOLO	Foss Maritime Co.	Barge
LAUREN FOSS	Foss Maritime Co.	Tug
GENIE LAB	Laborde Marine, L.L.C.	OSV <sup>16</sup>
HILDA LAB	Laborde Marine, L.L.C.	OSV
JEAN PIERRE LAB	Laborde Marine, L.L.C.	OSV
JOHN P. LAB	Laborde Marine, L.L.C.	OSV

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<sup>16</sup> Offshore Support Vessel

RED LAB	Laborde Marine, L.L.C.	OSV
LOCKWOOD 2002	Lockwood Brothers, Inc.	Barge
MARY BENNETT	Lockwood Brothers, Inc.	Tug
ALASKA PROVIDER	Lynden Incorporated	Barge-Deck
ANCHORAGE PROVIDER	Lynden Incorporated	Barge-Railcar
ARCTIC BEAR	Lynden Incorporated	Tug
BARANOF PROVIDER	Lynden Incorporated	Barge-Deck
CHATHAM PROVIDER	Lynden Incorporated	Barge-Deck
CHICHAGOFF PROVIDER	Lynden Incorporated	Barge-Deck
FAIRBANKS PROVIDER	Lynden Incorporated	Barge-Railcar
NANA PROVIDER	Lynden Incorporated	Barge-Deck
SOUTHEAST PROVIDER	Lynden Incorporated	Barge-Deck
STICKEEN	Lynden Incorporated	Barge
TAKU PROVIDER	Lynden Incorporated	Barge-Deck
TONGASS PROVIDER	Lynden Incorporated	Barge-Deck
WHITTIER PROVIDER	Lynden Incorporated	Barge-Railcar
HALEAKALA	Matson Navigation Company, Inc.	Container Barge (SS)
MAUNA KEA	Matson Navigation Company, Inc.	Container Barge (SS)
MAUNA LOA	Matson Navigation Company, Inc.	Container Barge (SS)
WAIALEALE	Matson Navigation Company, Inc.	Container-RO/RO Barge
AMY McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
ATLANTIC TRADER	McAllister Towing and Transportation Co. Inc.	Container Barge
BARBARA McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
BRUCE A McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
CHESAPEAKE TRADER	McAllister Towing and Transportation Co. Inc.	Container Barge
CHRISTINE McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
COLLEEN McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
EILEEN McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
IONA McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
JUSTINE McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
KATIE G McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
MARIANNE McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
MARJORIE B McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
McALLISTER BOYS	McAllister Towing and Transportation Co. Inc.	Tug
McALLISTER GIRLS	McAllister Towing and Transportation Co. Inc.	Tug
McALLISTER SISTERS	McAllister Towing and Transportation Co. Inc.	Tug
MEGAN McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
MICHAEL J. McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
RELIANCE	McAllister Towing and Transportation Co. Inc.	Tug
RESOLUTE	McAllister Towing and Transportation Co. Inc.	Tug
RON G.	McAllister Towing and Transportation Co. Inc.	Tug

ROWAN McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
SUSAN McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
VICKIE M. McALLISTER	McAllister Towing and Transportation Co. Inc.	Tug
BARGE 250-8	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
CHEETAH	Northcliffe Ocean Shipping Trading Company, Inc.	Tug
EL PUMA GRANDE	Northcliffe Ocean Shipping Trading Company, Inc.	Tug
MB 1213	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MB 1215	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MB 1216	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MB 1218	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MB 1219	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MB 1700	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MB 1702	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MB 1703	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MB 1704	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MB 2007	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MB 2501	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MOBRO 1007	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MOBRO 1008	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MOBRO 1214	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MOBRO 133	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MOBRO 1600	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MOBRO 1705	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MOBRO 2008	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
MOBRO 2503	Northcliffe Ocean Shipping Trading Company, Inc.	Barge
RIO BRAVO	Northcliffe Ocean Shipping Trading Company, Inc.	Tug
YBOR CITY	Northcliffe Ocean Shipping Trading Company, Inc.	Tug
ALASKA TRADER	Northland Services, Inc.	Barge
ALEUTIAN TRADER	Northland Services, Inc.	Barge
BERING TRADER	Northland Services, Inc.	Barge
BRISTOL BAY TRADER	Northland Services, Inc.	Barge
HAWAII TRADER	Northland Services, Inc.	Barge
KENAI TRADER	Northland Services, Inc.	Barge
KOYUKUK	Northland Services, Inc.	Barge
KUSKOKWIM TRADER	Northland Services, Inc.	Barge
KVICHAK TRADER	Northland Services, Inc.	Barge
NAKNEK TRADER	Northland Services, Inc.	Barge
NUSHAGAK TRADER	Northland Services, Inc.	Barge
PACIFIC TRADER	Northland Services, Inc.	Barge
POLAR KING	Northland Services, Inc.	Tug
POLAR RANGER	Northland Services, Inc.	Tug

POLAR STORM	Northland Services, Inc.	Tug
POLAR VIKING	Northland Services, Inc.	Tug
SHELIKOF TRADER	Northland Services, Inc.	Barge
TOGIAK TRADER	Northland Services, Inc.	Barge
UNIMAK TRADER	Northland Services, Inc.	Barge
WESWARD TRADER	Northland Services, Inc.	Barge
YUKON TRADER	Northland Services, Inc.	Barge
LANA ROSE	Resolve Towing & Salvage	Tug
RMG 400	Resolve Towing & Salvage	Barge
ANNAHOOTZ	Samson Tug & Barge Co., Inc.	Barge - Deck/Tank
POWHATAN	Samson Tug & Barge Co., Inc.	Tug
SAMSON MARINER	Samson Tug & Barge Co., Inc.	Tug
CHEMCARIBE	Sea Star Line, LLC	Barge
FOSS 343	Sea Star Line, LLC	Barge
HALLE FOSS	Sea Star Line, LLC	Tug
HO'OMAKE HOU	Sea Star Line, LLC	Barge
CARDINAL	Seabridge, Inc.	Tug
CHAMORRO	Seabridge, Inc.	Tug
S-2006	Seabridge, Inc.	Barge
S-2007	Seabridge, Inc.	Barge
S-2011	Seabridge, Inc.	Barge
TM 1900	Seabridge, Inc.	Barge
SEATAC 300	SeaTac Marine Services, LLC	Barge
ISLAND BOY	Stevens Towing Co., Inc.	Push Boat
ISLAND EXPRESS	Stevens Towing Co., Inc.	Push Boat
ISLAND FOX	Stevens Towing Co., Inc.	Tug
ISLAND PROGRESS	Stevens Towing Co., Inc.	Push Boat
ISLAND TIDE	Stevens Towing Co., Inc.	Push Boat
ISLAND TRADER	Stevens Towing Co., Inc.	Coastal Tug
ROYAL ENGINEER	Stevens Towing Co., Inc.	Push Boat
SJ-160	Stevens Towing Co., Inc.	Barge-Hopper
SJ-170	Stevens Towing Co., Inc.	Barge-Hopper
SJ-199	Stevens Towing Co., Inc.	Barge-Hopper
SJ-208	Stevens Towing Co., Inc.	Barge-Hopper
SJ-212	Stevens Towing Co., Inc.	Barge-Hopper
SJ-213	Stevens Towing Co., Inc.	Barge-Hopper
SJ-214	Stevens Towing Co., Inc.	Hopper Barge
SJ-215	Stevens Towing Co., Inc.	Barge-Hopper
JEFFERSON	Superior Maritime Services, Inc.	Tug
N-103	Superior Maritime Services, Inc.	Barge
BARANOF	Totem Ocean Trailer Express, Inc.	Barge



COLUMBIA BOSTON	Totem Ocean Trailer Express, Inc.	Barge
EMMA FOSS	Totem Ocean Trailer Express, Inc.	Tug
SITKA	Totem Ocean Trailer Express, Inc.	Barge-Tank
ATLANTA BRIDGE	Trailer Bridge, Inc.	Barge-LO/LO
BROOKLYN BRIDGE	Trailer Bridge, Inc.	Barge-LO/LO
CHARLOTTE BRIDGE	Trailer Bridge, Inc.	Barge-LO/LO
CHICAGO BRIDGE	Trailer Bridge, Inc.	Barge-LO/LO
JAX SAN JUAN BRIDGE	Trailer Bridge, Inc.	Barge-RO/RO
MEMPHIS BRIDGE	Trailer Bridge, Inc.	Barge-LO/LO
SAN JUAN JAX BRIDGE	Trailer Bridge, Inc.	Barge-RO/RO
GUANTANAMO BAY EXPRESS	TransAtlantic Lines LLC	Barge
SPENCE	TransAtlantic Lines LLC	Tug
OCEAN RANGER	Western Towboat Company	Tug
WESTERN #7	Western Towboat Company	Deck Barge
WESTERN CARRIER	Western Towboat Company	Deck Barge
WESTERN RANGER	Western Towboat Company	Tug
WESTERN SERVICE	Western Towboat Company	Deck Barge
WESTERN VENTURE	Western Towboat Company	Deck Barge

## VISA Vessel Listing, September 30, 2011

<u>Vessel Name</u>	<u>Company Name</u>	<u>Vessel Type</u>	<u>Type</u>
INDEPENDENCE II	American International Shipping	RO/RO	MSP
SP5 ERIC G. GIBSON	American President Lines, Ltd	Cont-RO/RO	International
ALLIANCE CHARLESTON	Argent Marine	RO/RO	MSP
APL CORAL	APL Marine Services, Ltd.	Containership	International
PRESIDENT ADAMS	APL Marine Services, Ltd.	Containership	MSP
PRESIDENT JACKSON	APL Marine Services, Ltd.	Containership	MSP
PRESIDENT POLK	APL Marine Services, Ltd.	Containership	MSP
PRESIDENT TRUMAN	APL Marine Services, Ltd.	Containership	MSP
APL CHINA	APL Marine Services, Ltd.	Containership	MSP
APL KOREA	APL Marine Services, Ltd.	Containership	MSP
APL SINGAPORE	APL Marine Services, Ltd.	Containership	MSP
APL THAILAND	APL Marine Services, Ltd.	Containership	MSP
APL JAPAN	APL Marine Services, Ltd.	Containership	International
APL PHILIPPINES	APL Marine Services, Ltd.	Containership	MSP
APL AGATE	APL Marine Services, Ltd.	Containership	International
APL CYPRINE	APL Maritime, Ltd	Containership	International
APL BALBOA	APL Maritime, Ltd	Geared Container	International
APL PEARL	APL Maritime, Ltd	Containership	International
AMERICAN TERN	APL Maritime, Ltd	Geared Container	International
GREEN COVE	Central Gulf Lines, Inc.	RO/RO	MSP
GREEN LAKE	Central Gulf Lines, Inc.	RO/RO	MSP
GREEN POINT	Central Gulf Lines, Inc.	RO/RO	MSP
GREEN RIDGE	Central Gulf Lines, Inc.	RO/RO	MSP
ALLIANCE ST. LOUIS	Farrell Lines, Inc.	RO/RO	MSP
MAERSK OHIO	Farrell Lines, Inc.	Containership	MSP
MAERSK MONTANA	Farrell Lines, Inc.	Containership	MSP
MAERSK IOWA	Farrell Lines, Inc.	Containership	MSP
ALLIANCE NORFOLK	Farrell Lines, Inc.	RO/RO	MSP

PATRIOT	Fidelio Limited Partnership	RO/RO	MSP
COURAGE	Fidelio Limited Partnership	RO/RO	MSP
INTEGRITY	Fidelio Limited Partnership	RO/RO	MSP
RESOLVE	Fidelio Limited Partnership	RO/RO	MSP
ENDURANCE	Fidelio Limited Partnership	RO/RO	MSP
HONOR	Fidelio Limited Partnership	RO/RO	MSP
FREEDOM	Fidelio Limited Partnership	RO/RO	MSP
STRONG MARINER	Foss International, Inc.	ITB	International
THUNDER & LIGHTNING	Foss International, Inc.	ITB	International
DELTA MARINER	Foss Maritime, Inc.	RO/RO	International
ST LOUIS EXPRESS	Hapag Lloyd, USA , LLC	Geared Container	MSP
CHARLESTON EXPRESS	Hapag Lloyd, USA , LLC	Geared Container	MSP
YORKTOWN EXPRESS	Hapag Lloyd, USA , LLC	Geared Container	MSP
WASHINGTON EXPRESS	Hapag Lloyd, USA , LLC	Geared Container	MSP
PHILADELPHIA EXPRESS	Hapag Lloyd, USA , LLC	Geared Container	MSP
HORIZON CHALLENGER	Horizon Lines, LLC	Containership	International
HORIZON DISCOVERY	Horizon Lines, LLC	Containership	Jones
HORIZON NAVIGATOR	Horizon Lines, LLC	Containership	Jones
HORIZON CONSUMER	Horizon Lines, LLC	Containership	International
HORIZON FAIRBANKS	Horizon Lines, LLC	Containership	International
HORIZON HAWAII	Horizon Lines, LLC	Containership	Jones
HORIZON TRADER	Horizon Lines, LLC	Containership	Jones
HORIZON PRODUCER	Horizon Lines, LLC	Containership	Jones
HORIZON PACIFIC	Horizon Lines, LLC	Containership	Jones
HORIZON ENTERPRISE	Horizon Lines, LLC	Containership	Jones
HORIZON SPIRIT	Horizon Lines, LLC	Containership	Jones
HORIZON RELIANCE	Horizon Lines, LLC	Containership	Jones
HORIZON ANCHORAGE	Horizon Lines, LLC	Containership	International
HORIZON KODIAK	Horizon Lines, LLC	Containership	Jones
HORIZON TACOMA	Horizon Lines, LLC	Containership	Jones

HORIZON HUNTER	Horizon Lines, LLC	Containership	Jones
HORIZON TIGER	Horizon Lines, LLC	Containership	Jones
HORIZON HAWK	Horizon Lines, LLC	Containership	Jones
HORIZON EAGLE	Horizon Lines, LLC	Containership	Jones
HORIZON FALCON	Horizon Lines, LLC	Containership	Jones
PRESTIGE NEW YORK	Liberty Global Logistics, LLC	RO/RO	MSP
LIBERTY PRIDE	Liberty Global Logistics, LLC	RO/RO	Jones
LIBERTY PROMISE	Liberty Global Logistics, LLC	RO/RO	Jones
LIBERTY SUN	Liberty Shipping Group, LLC	Bulk Carrier	International
LIBERTY SPIRIT	Liberty Shipping Group, LLC	Bulk Carrier	Jones
LIBERTY GLORY	Liberty Shipping Group, LLC	Bulk Carrier	Jones
LIBERTY GRACE	Liberty Shipping Group, LLC	Bulk Carrier	Jones
LIBERTY EAGLE	Liberty Shipping Group, LLC	Bulk Carrier	Jones
SEA-LAND COMET	Maersk Line Ltd.	Containership	MSP
SEA-LAND MERCURY	Maersk Line Ltd.	Containership	MSP
SEA-LAND CHAMPION	Maersk Line Ltd.	Containership	MSP
MAERSK WYOMING	Maersk Line Ltd.	Containership	MSP
SEA-LAND METEOR	Maersk Line Ltd.	Containership	MSP
SEA-LAND RACER	Maersk Line Ltd.	Containership	MSP
MAERSK GEORGIA	Maersk Line Ltd.	Containership	MSP
SEA-LAND CHARGER	Maersk Line Ltd.	Containership	MSP
SEA-LAND INTREPID	Maersk Line Ltd.	Containership	MSP
SEA-LAND LIGHTNING	Maersk Line Ltd.	Containership	MSP
SEA-LAND EAGLE	Maersk Line Ltd.	Containership	MSP
MAERSK CAROLINA	Maersk Line Ltd.	Containership	MSP
MAERSK MISSOURI	Maersk Line Ltd.	Containership	MSP
MAERSK ARKANSAS	Maersk Line Ltd.	Geared Container	International
MAERSK KENTUCKY	Maersk Line Ltd.	Containership	MSP
MAERSK WISCONSIN	Maersk Line Ltd.	Containership	MSP
MAERSK IDAHO	Maersk Line Ltd.	Containership	MSP

MAERSK VIRGINIA	Maersk Line Ltd.	Containership	MSP
ALLIANCE BEAUMONT	Maersk Line Ltd.	RO/RO	MSP
MAERSK UTAH	Maersk Line Ltd.	Containership	MSP
LIHUE	Matson Navigation Company, Inc.	Containership	Jones
LURLINE	Matson Navigation Company, Inc.	Cont-RO/RO	Jones
MATSONIA	Matson Navigation Company, Inc.	Cont-RO/RO	Jones
MAUI	Matson Navigation Company, Inc.	Containership	Jones
MAHI MAHI	Matson Navigation Company, Inc.	Containership	International
KAUAI	Matson Navigation Company, Inc.	Containership	Jones
MANOA	Matson Navigation Company, Inc.	Containership	International
MOKIHANA	Matson Navigation Company, Inc.	Containership	International
R.J. PFEIFFER	Matson Navigation Company, Inc.	Containership	Jones
MANUKAI	Matson Navigation Company, Inc.	Containership	Jones
MAUNAWILI	Matson Navigation Company, Inc.	Containership	Jones
MANULANI	Matson Navigation Company, Inc.	Containership	Jones
MAUNALEI	Matson Navigation Company, Inc.	Containership	Jones
NATIONAL GLORY	National Shipping of America, LLC	Containership	Jones
JEAN ANNE	Pasha Hawaii Transport Lines LLC	RO/RO	Jones
OCEAN ATLAS	Patriot Shipping, LLC	Heavylift breakbulk	International
OCEAN CHARGER	Patriot Shipping, LLC	Heavylift breakbulk	MSP
OCEAN CRESENT	Patriot Shipping, LLC	Heavylift breakbulk	MSP
OCEAN TITAN	Patriot Titan, LLC	Heavylift breakbulk	International
BLACK EAGLE	Red River Holdings, LLC	Containership	International
EOT SPAR	Schuyler Line Navigation Company	Containership	International
EL FARO	Sea Star Line, LLC	Cont&RO/RO	Jones
EL MORRO	Sea Star Line, LLC	RO-RO/LO-LO	Jones
EL YUNQUE	Sea Star Line, LLC	RO-RO/LO-LO	Jones
ADVANTAGE	Sealift Inc.	Breakbulk	International
NOBLE STAR	Sealift Inc.	Breakbulk	International
ASCENSION	Sealift Inc.	Containership	International

SAGAMORE	Sealift, Inc.	Containership	International
MAJ BERNARD F. FISHER	Sealift, Inc.	Cont&RO/RO	International
COASTAL VENTURE	Stevens Transportation, LLC	Multi-Purpose Cont.	International
BBC HOUSTON	Texas BBC Ocean Navigation Enterprises Houston, LLC	Multi-Purpose Cont.	International
GREAT LAND	Totem Ocean Trailer Express, Inc.	RO/RO	Jones
WESTWARD VENTURE	Totem Ocean Trailer Express, Inc.	RO/RO	Jones
MIDNIGHT SUN	Totem Ocean Trailer Express, Inc.	RO/RO	Jones
NORTH STAR	Totem Ocean Trailer Express, Inc.	RO/RO	Jones
MV GEYSIR	TransAtlantic Lines, LLC	Containership	International
TRANSATLANTIC	TransAtlantic Lines, LLC	Containership	International
MAERSK CALIFORNIA	Waterman Steamship Corp.	Geared Container	MSP
MAERSK ALABAMA	Waterman Steamship Corp.	Geared Container	MSP
GREEN DALE	Waterman Steamship Corp.	RO/RO	MSP
GREEN BAY	Waterman Steamship Corp.	RO/RO	MSP

#### TUGS AND BARGES

<u>Vessel Name</u>	<u>Company Name</u>	<u>Vessel Type</u>
BARGE #15	A Way to Move, Inc.	Barge
TUG WHITE HILL	A Way to Move, Inc.	Tug
BAYLEE BEYEL	Beyel Brothers, Inc.	Tug
BLAKE BEYEL	Beyel Brothers, Inc.	Barge
BRADEN BEYEL	Beyel Brothers, Inc.	Tug
BRITTANY BEYEL	Beyel Brothers, Inc.	Tug
GUS J HENRICH	Beyel Brothers, Inc.	Tug
SEAMARK III	Beyel Brothers, Inc.	Tug
SINGLETON	Beyel Brothers, Inc.	Tug
COLUMBIA BALTIMORE	Columbia Coastal Transport, LLC	Barge
COLUMBIA CHARLESTON	Columbia Coastal Transport, LLC	Barge
COLUMBIA ELIZABETH	Columbia Coastal Transport, LLC	Barge
COLUMBIA HOUSTON	Columbia Coastal Transport, LLC	Barge

PFE-LB	CRC Marine Services, Inc.	LASH Barge
CRIMSON ACE	Crimson Shipping Co., Inc.	Barge-RO/RO
CRIMSON CLOVER	Crimson Shipping Co., Inc.	Barge-RO/RO
CRIMSON TIDE	Crimson Shipping Co., Inc.	Barge-RO/RO
CRIMSON VICTORY	Crimson Shipping Co., Inc.	Tug
BARGE 240-1	Crowley Marine Services, Inc.	Barge
BARGE 455-3	Crowley Marine Services, Inc.	Barge
BARGE 455-4	Crowley Marine Services, Inc.	Barge
BARGE 455-5	Crowley Marine Services, Inc.	Barge
BARGE 455-6	Crowley Marine Services, Inc.	Barge
BARGE 455-7	Crowley Marine Services, Inc.	Barge
BARGE 500-1	Crowley Marine Services, Inc.	Barge
BARGE JULIE B	Crowley Marine Services, Inc.	Barge
BARGE MARTY J	Crowley Marine Services, Inc.	Barge
BULWARK	Crowley Marine Services, Inc.	Tug
CAVALIER	Crowley Marine Services, Inc.	Tug
CRUSADER	Crowley Marine Services, Inc.	Tug
GUARDSMAN	Crowley Marine Services, Inc.	Tug
HUNTER	Crowley Marine Services, Inc.	Tug
INVADER	Crowley Marine Services, Inc.	Tug
MARINER	Crowley Marine Services, Inc.	Tug
NAVIGATOR	Crowley Marine Services, Inc.	Tug
RANGER	Crowley Marine Services, Inc.	Tug
SATURN	Crowley Marine Services, Inc.	Tug
SENECA	Crowley Marine Services, Inc.	Tug
SIOUX	Crowley Marine Services, Inc.	Tug
SPARTAN	Crowley Marine Services, Inc.	Tug
STALWART	Crowley Marine Services, Inc.	Tug
WARRIOR	Crowley Marine Services, Inc.	Tug
ADVENTURER	Crowley Puerto Rico Services, Inc.	Tug

CENTURION	Crowley Puerto Rico Services, Inc.	Tug
DEFENDER	Crowley Puerto Rico Services, Inc.	Tug
EL CONQUISTADOR	Crowley Puerto Rico Services, Inc.	Barge
EL REY	Crowley Puerto Rico Services, Inc.	Barge
ENSIGN	Crowley Puerto Rico Services, Inc.	Tug
EXPLORER	Crowley Puerto Rico Services, Inc.	Tug
FORTALEZA	Crowley Puerto Rico Services, Inc.	Barge
GAUNTLET	Crowley Puerto Rico Services, Inc.	Tug
JACKSONVILLE	Crowley Puerto Rico Services, Inc.	Barge
LA PRINCESA	Crowley Puerto Rico Services, Inc.	Barge
LA REINA	Crowley Puerto Rico Services, Inc.	Barge
MIAMI	Crowley Puerto Rico Services, Inc.	Barge
MONITOR	Crowley Puerto Rico Services, Inc.	Tug
PATRIARCH	Crowley Puerto Rico Services, Inc.	Tug
PILOT	Crowley Puerto Rico Services, Inc.	Tug
PIONEER	Crowley Puerto Rico Services, Inc.	Tug
PONCE	Crowley Puerto Rico Services, Inc.	Barge
SAN JUAN	Crowley Puerto Rico Services, Inc.	Barge
SEA BREEZE	Crowley Puerto Rico Services, Inc.	Tug
SEA HORSE	Crowley Puerto Rico Services, Inc.	Tug
SENTINEL	Crowley Puerto Rico Services, Inc.	Tug
SENTRY	Crowley Puerto Rico Services, Inc.	Tug
ATLANTIC COAST	Dann Marine Towing, LC	Tug
CALUSA COAST	Dann Marine Towing, LC	Tug
CORAL COAST	Dann Marine Towing, LC	Tug
CRYSTAL COAST	Dann Marine Towing, LC	Tug
DMT-402	Dann Marine Towing, LC	Hopper Barge
DMT-403	Dann Marine Towing, LC	Hopper Barge
DMT-404	Dann Marine Towing, LC	Hopper Barge
DMT-405	Dann Marine Towing, LC	Hopper Barge



DMT-406	Dann Marine Towing, LC	Hopper Barge
DMT-407	Dann Marine Towing, LC	Hopper Barge
DMT-408	Dann Marine Towing, LC	Hopper Barge
DMT-409	Dann Marine Towing, LC	Hopper Barge
DMT-410	Dann Marine Towing, LC	Hopper Barge
EAST COAST	Dann Marine Towing, LC	Tug
EMERALD COAST	Dann Marine Towing, LC	Tug
FIRST COAST	Dann Marine Towing, LC	Tug
GOLD COAST	Dann Marine Towing, LC	Tug
GULF COAST	Dann Marine Towing, LC	Tug
IVORY COAST	Dann Marine Towing, LC	Tug
NEW ENGLAND COAST	Dann Marine Towing, LC	Tug
PALM COAST	Dann Marine Towing, LC	Tug
RADACO 103	Dann Marine Towing, LC	Deck Barge
SEA COAST	Dann Marine Towing, LC	Tug
SUN COAST	Dann Marine Towing, LC	Tug
TREASURE COAST	Dann Marine Towing, LC	Tug
ZEUS	Dann Marine Towing, LC	Tug
AMERICAN TRADER	Foss International, Inc.	Barge
Z BIG 1	Foss International, Inc.	Barge
CORBIN FOSS	Foss Maritime Co.	Tug
DREW FOSS	Foss Maritime Co.	Tug
FOSS 185-C3	Foss Maritime Co.	Barge
FOSS 286-3	Foss Maritime Co.	Barge
JUSTINE FOSS	Foss Maritime Co.	Tug
KAHOLO	Foss Maritime Co.	Barge
LAUREN FOSS	Foss Maritime Co.	Tug
PT&S 379	Foss Maritime Co.	Barge-RO/RO
GENIE LAB	Laborde Marine, LLC	OSV
HILDA LAB	Laborde Marine, LLC	OSV

JEAN PIERRE LAB	Laborde Marine, LLC	OSV
JOHN P. LAB	Laborde Marine, LLC	OSV
RED LAB	Laborde Marine, LLC	OSV
LOCKWOOD 2002	Lockwood Brothers, Inc.	Barge
MARY BENNETT	Lockwood Brothers, Inc.	Tug
ALASKA PROVIDER	Lynden Incorporated	Barge-Deck
ANCHORAGE PROVIDER	Lynden Incorporated	Barge-Railcar
ARCTIC BEAR	Lynden Incorporated	Tug
BARANOF PROVIDER	Lynden Incorporated	Barge-Deck
CHATHAM PROVIDER	Lynden Incorporated	Barge-Deck
CHICHAGOFF PROVIDER	Lynden Incorporated	Barge-Deck
FAIRBANKS PROVIDER	Lynden Incorporated	Barge-Railcar
NANA PROVIDER	Lynden Incorporated	Barge-Deck
SOUTHEAST PROVIDER	Lynden Incorporated	Barge-Deck
STICKEEN	Lynden Incorporated	Barge
TAKU PROVIDER	Lynden Incorporated	Barge-Deck
TONGASS PROVIDER	Lynden Incorporated	Barge-Deck
WHITTIER PROVIDER	Lynden Incorporated	Barge-Railcar
HALEAKALA	Matson Navigation Company, Inc.	Container Barge (SS)
MAUNA KEA	Matson Navigation Company, Inc.	Container Barge (SS)
MAUNA LOA	Matson Navigation Company, Inc.	Container Barge (SS)
WAIALEALE	Matson Navigation Company, Inc.	Container-RO/RO Barge
AMY McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
ATLANTIC TRADER	McAllister Towing and Transportation Co., Inc.	Container Barge
BARBARA McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
BRUCE A McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
CHESAPEAKE TRADER	McAllister Towing and Transportation Co., Inc.	Container Barge
CHRISTINE McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
COLLEEN McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
EILEEN McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug

IONA McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
JUSTINE McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
KATIE G McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
MARIANNE McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
MARJORIE B McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
McALLISTER GIRLS	McAllister Towing and Transportation Co., Inc.	Tug
McALLISTER SISTERS	McAllister Towing and Transportation Co., Inc.	Tug
MEGAN McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
MICHAEL J. McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
RELIANCE	McAllister Towing and Transportation Co., Inc.	Tug
RESOLUTE	McAllister Towing and Transportation Co., Inc.	Tug
RON G.	McAllister Towing and Transportation Co., Inc.	Tug
ROWAN McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
SUSAN McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
VICKIE M. McALLISTER	McAllister Towing and Transportation Co., Inc.	Tug
CHAMPION	McCulley Marine Services, Inc.,	Tug
D2005	McCulley Marine Services, Inc.,	Barge
ELIZABETH ANNE	McCulley Marine Services, Inc.,	Tug
MOBRO 126	McCulley Marine Services, Inc.,	Barge
REGINA T	McCulley Marine Services, Inc.,	Tug
BARGE 250-8	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
CHEETAH	Northcliffe Ocean Shipping & Trading Co., Inc.	Tug
EL PUMA GRANDE	Northcliffe Ocean Shipping & Trading Co., Inc.	Tug
MB 1213	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MB 1215	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MB 1216	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MB 1218	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MB 1219	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MB 1700	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MB 1702	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge

MB 1703	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MB 1704	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MB 2007	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MB 2501	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MOBRO 1007	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MOBRO 1008	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MOBRO 1214	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MOBRO 133	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MOBRO 1600	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MOBRO 1705	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MOBRO 2008	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
MOBRO 2503	Northcliffe Ocean Shipping & Trading Co., Inc.	Barge
RIO BRAVO	Northcliffe Ocean Shipping & Trading Co., Inc.	Tug
YBOR CITY	Northcliffe Ocean Shipping & Trading Co., Inc.	Tug
ALASKA TRADER	Northland Services, Inc.	Barge
ALEUTIAN TRADER	Northland Services, Inc.	Barge
ANCHORAGE TRADER	Northland Services, Inc.	Barge
BARGE BRISTOL BAY TRADER	Northland Services, Inc.	Barge
BERING TRADER	Northland Services, Inc.	Barge
HAWAII TRADER	Northland Services, Inc.	Barge
KENAI TRADER	Northland Services, Inc.	Barge
KOYUKUK	Northland Services, Inc.	Barge
KUSKOKWIM TRADER	Northland Services, Inc.	Barge
KVICHAK TRADER	Northland Services, Inc.	Barge
NAKNEK TRADER	Northland Services, Inc.	Barge
NUSHAGAK TRADER	Northland Services, Inc.	Barge
PACIFIC TRADER	Northland Services, Inc.	Barge
POLAR KING	Northland Services, Inc.	Tug
POLAR RANGER	Northland Services, Inc.	Tug
POLAR STORM	Northland Services, Inc.	Tug

POLAR VIKING	Northland Services, Inc.	Tug
SHELIKOF TRADER	Northland Services, Inc.	Barge
TOGIAK TRADER	Northland Services, Inc.	Barge
UNIMAK TRADER	Northland Services, Inc.	Barge
WESWARD TRADER	Northland Services, Inc.	Barge
YUKON TRADER	Northland Services, Inc.	Barge
LANA ROSE	Resolve Towing & Salvage	Tug
RMG 400	Resolve Towing & Salvage	Barge
ANNAHOOTZ	Samson Tug and Barge Co., Inc.	Barge - Deck/Tank
POWHATAN	Samson Tug and Barge Co., Inc.	Tug
SAMSON MARINER	Samson Tug and Barge Co., Inc.	Tug
CHEMCARIBE	Sea Star Line, LLC	Barge
FOSS 343	Sea Star Line, LLC	Barge
HALLE FOSS	Sea Star Line, LLC	Tug
HO'OMAKE HOU	Sea Star Line, LLC	Barge
SEATAC 300	Sea Tac Marine Services, LLC	Barge
CARDINAL	Seabridge, Inc.	Tug
CHAMORRO	Seabridge, Inc.	Tug
S-2006	Seabridge, Inc.	Barge
S-2007	Seabridge, Inc.	Barge
S-2011	Seabridge, Inc.	Barge
ISLAND BOY	Stevens Towing Co., Inc.	Push Boat
ISLAND EXPRESS	Stevens Towing Co., Inc.	Push Boat
ISLAND FOX	Stevens Towing Co., Inc.	Tug
ISLAND PROGRESS	Stevens Towing Co., Inc.	Push Boat
ISLAND TIDE	Stevens Towing Co., Inc.	Push Boat
ISLAND TRADER	Stevens Towing Co., Inc.	Coastal Tug
ROYAL ENGINEER	Stevens Towing Co., Inc.	Push Boat
SJ-160	Stevens Towing Co., Inc.	Barge-Hopper
SJ-170	Stevens Towing Co., Inc.	Barge-Hopper

SJ-199	Stevens Towing Co., Inc.	Barge-Hopper
SJ-208	Stevens Towing Co., Inc.	Barge-Hopper
SJ-212	Stevens Towing Co., Inc.	Barge-Hopper
SJ-213	Stevens Towing Co., Inc.	Barge-Hopper
SJ-214	Stevens Towing Co., Inc.	Hopper Barge
SJ-215	Stevens Towing Co., Inc.	Barge-Hopper
JEFFERSON	Superior Maritime Services, Inc.	Tug
N-103	Superior Maritime Services, Inc.	Barge
BARANOF	Totem Ocean Trailer Express, Inc.	Barge
COLUMBIA BOSTON	Totem Ocean Trailer Express, Inc.	Barge
EMMA FOSS	Totem Ocean Trailer Express, Inc.	Tug
SITKA	Totem Ocean Trailer Express, Inc.	Barge-Tank
ATLANTA BRIDGE	Trailer Bridge, Inc.	Barge-LO/LO
BROOKLYN BRIDGE	Trailer Bridge, Inc.	Barge-LO/LO
CHARLOTTE BRIDGE	Trailer Bridge, Inc.	Barge-LO/LO
CHICAGO BRIDGE	Trailer Bridge, Inc.	Barge-LO/LO
JAX SAN JUAN BRIDGE	Trailer Bridge, Inc.	Barge-RO/RO
MEMPHIS BRIDGE	Trailer Bridge, Inc.	Barge-LO/LO
SAN JUAN JAX BRIDGE	Trailer Bridge, Inc.	Barge-RO/RO
GUANTANAMO BAY EXPRESS	TransAtlantic Lines LLC	Barge
SPENCE	TransAtlantic Lines LLC	Tug
OCEAN RANGER	Western Towboat Company	Tug
WESTERN #7	Western Towboat Company	Deck Barge
WESTERN CARRIER	Western Towboat Company	Deck Barge
WESTERN RANGER	Western Towboat Company	Tug
WESTERN SERVICE	Western Towboat Company	Deck Barge
WESTERN VENTURE	Western Towboat Company	Deck Barge

## List of Vessels Approved for Transfer to Foreign Registry for Years 2010 & 2011

### List of Vessels Approved for Transfer To Foreign Registry in Fiscal Year 2010

Vessel Name	Type of Vessel	U.S. owner	Purchaser	Registry & Flag	Proposed Use
DIXIE PATROIT	Liftboat	MMEER Dixie Patriot, LLC	No Sale Involved	Marshall Islands	Platform in oilfield services
GT IRONMASTER	Barge	GT 107 Inc.	Purvis Marine LTD.	Canadian	Freight
MAC 4001	Barge	McAlister Towing & Transportation	Worldwide Ship Delivers, Ltd.	Panama	Move construction materials
KEYSTONE TEXAS	Tank ship	Keystates Inc.	Snow Drop Co., Ltd.	None	Scrapping in India
NEW YORK	Tank ship	ITB New York LLC	Baltanas Shipping Ltd.	St. Kitts & Nevis	Scrapping in India
HOS BRIDADOON	Supply vessel	Hornbeck Offshore Service	No sale involved	Mexico	Offshore oilfield work
BANDON	Barge	Sause Bros Inc.	IMI del Peru SAC	Peruvian	Carry freight to South America
ROUGE	Barge	Sause Bros Inc.	IMI del Peru SAC	Peruvian	Carry freight to South America
ROWAN ALASKA	Drilling unit	Rowan Companies, Inc.	Atlantic Maritime Services, Inc.	Marshall Islands	Drilling
ROWAN LOUISIANA	Drilling unit	Rowan Companies, Inc.	Atlantic Maritime Services, Inc.	Marshall Islands	Drilling
SMT ONE	Barge	Frances Owner Corp.	Anisa Shipping Ltd.	Tuvalu	Scrapping in India
SMT TWO	Barge	Julius Owner Corp.	Natalia Shipping Ltd.	Tuvalu	Scrapping in India
SMT CHEMICAL TRADER	Barge	Frances Owner Corp.	Natalia Shipping Ltd.	Tuvalu	Scrapping in India
SMT CHEMICAL EXPLORER	Barge	Frances Owner Corp.	Anisa Shipping Ltd.	Tuvalu	Scrapping in India
BALTIMORE	ITB	ITB Baltimore	Anisa Shipping Ltd.	Tuvalu	Scrapping in India
ALASKA	Barge	KRS Marine LLC	No Sale Involved	Panama	Service in oil & gas exploration
TYLER J	Barge	San Diego Towing 7 Marine Services, Inc.	Porteadores de Noroeste S.A.	Mexico	Carry diesel in inland waters
ITB 240	Barge	Island Tug & Barge Co.	Amix Salvage & Sales	Canada	Scrapping in Canada
J 119	Barge	Mass Construction Co.	Vale Coal Columbia Ltd.	Colombia	Transport thermal coal
J 166	Barge	Mass Construction Co.	Vale Coal Columbia Ltd.	Colombia	Transport thermal coal
ENERGY 5501	Barge	Moby II Inc.	Petrocoasta C.I.	Colombia	Marine trade
JMC 244	Barge	Cashman Equipment Corporation	No sale involved	Vanuatu	Marine trade
JMC 245	Barge	Cashman Equipment Corporation	No sale involved	Vanuatu	Marine trade
JMC 24	Barge	Cashman Equipment Corporation	No sale involved	Vanuatu	Marine trade
JMC 44	Barge	Cashman Equipment Corporation	No sale involved	Vanuatu	Marine trade
SEACOR GRANT	Supply	Seacor Marine LLC	Seacor Grant A.S.	Marshall	Offshore service

	vessel			Islands	in Angola
N 103	Barge	Cajun Crane Company	Ship Ahoy-Cooks Island Ltd.	Cook Island	Transport aggregate material
OVERSEAS PHILADELPHIA	Tanker	Overseas Philadelphia LLC	Natalia Shipping	None	Scrapping in India
ENERGY 6503	Barge	Puerto Rico Marine Consulting Inc.	Taney Shipping Corporation	Honduras	Lightering in Nigerian coastal waters
ROWAN GORILLA V	Drilling Unit	Atlantic Maritime Services, Inc.	Rowan Drilling (Gibraltar) Ltd.	Marshall Islands	Drilling
ROWAN GORILLA VII	Drilling Unit	Atlantic Maritime Services, Inc.	Rowan Drilling (Gibraltar) Ltd.	Marshall Islands	Drilling
ITB PHILADELPHIA	ITB	ITB Philadelphia LLC	Anisa Shipping Ltd.	Union of Comoros	Scrapping in India
ABBY G	RORO	Wilmington Trust	Thrive Allies Ltd.	None	Scrapping in India
MAERSK TENNESSEE	Freighter	Maersk Line Ltd.	Maritime Delivery Inc.	None	Scrapping in China
MAERSK TEXAS	Freighter	Maersk Line Ltd.	Maritime Delivery Inc.	None	Scrapping in China
AT 3	Barge	Associated Terminals of St. Bernard	Vale Coal Colombia Ltd.	Colombia	Transloading coal
ENSCO 86	Drilling Unit	Ensco Offshore Company	Ensco Global Gmb H	Liberia	Drilling
ENSCO 87	Drilling Unit	Ensco Offshore Company	Ensco Global Gmb H	Liberia	Drilling
BAYTOWN	Tanker	SeaRiver Maritime	Anise Shipping Corporation	Tuvalu	Scrapping in China
DBL 53	Barge	K-Sea Operating LP	Pherabzy Gas Ltd.	Nigeria	Transport crude oil
DBL 70	Barge	K-Sea Operating LP	Pherabzy Gas Ltd.	Nigeria	Marine operation
SPIRIT RIVER	Supply Vessel	Trico Marine Inc.	Nigerbetta Shipping Agency	Nigeria	Marine operation



**List of Vessels Approved for Transfer  
To Foreign Registry in Fiscal Year 2011**

<b>Vessel Name</b>	<b>Type of Vessel</b>	<b>U.S. owner</b>	<b>Purchaser</b>	<b>Registry &amp; Flag</b>	<b>Proposed Use</b>
OVERSEAS GALENA BAY	Tanker	Overseas Galena Bay LLC	Providence Shipping Corp, LLC	Union of Comoros	Scrapping in India
HORSESHOE CASINO	Passenger	Horse Hammond LLC	Victor Hotels & Motels Ltd.	India	Gaming
MOBILE	ITB	ITB Mobile LLC	Karnak Holdings Ltd.	Union of Comoros	Scrapping in India
HERCULES 155	Drilling	Cliffs Drilling Company	Better Gold Enterprises	Vanuatu	Drilling
JMC 2508	Barge	Cashman Equipment	No sale involved	Vanuatu	Marine trade
JMC 2509	Barge	Cashman Equipment	No sale involved	Vanuatu	Marine trade
CALVIN P. TITUS	Cargo	APL Maritime Ltd.	NKD Maritime Ltd.	St. Kitt & Nevis	Scrapping in India
PRINCE WILLIAM SOUND	Tanker	Shipco 667 Inc.	Snow Drop Co., Ltd.	None	Scrapping in India
KTC 20	Barge	Moby II	Industruas Astivik S.A.	Colombia	Marine trade
FOSS 343	Barge	Foss Maritime	Cape Harrison Foss, Inc.	Canada	Operating in Canadian cabotage trade
CHEMCARIBE	Barge	Gulf Caribe Maritime Inc.	Cape Harrison Foss, Inc.	Canada	Operating in Canadian cabotage trade
LIBERTY SPIRIT	Freighter	Liberty Star Shipping Co.	Liberty Sea Corp.	Marshall Islands	Marine trade
LIBERTY STAR	Freighter	Liberty Star Shipping Co.	Liberty Spirit Corp.	Marshall Islands	Marine trade
LIBERTY SUN	Freighter	Liberty Star Shipping Co.	Liberty Spirit Corp.	Marshall Islands	Marine trade
TRICO MOON	Supply Vessel	POSH (USA) Inc.	Maritime Charlie Pte. Ltd.	Singapore	Marine trade
ANITA T	Barge	Assoc.Maritime Equipment LLC	Vale Coal Columbia, Ltd.	Colombia	Transloading coal
CHEROKEE	Barge	Global Pipelines Plus, LLC	No sale involved	Nigeria	Marine construction
ACADIAN TRADER	Barge	Offshore Express LLC	Imi del Peru SAC	Peru	Transporting oil field platform supply
OVERSEAS NEW ORLEANS	Tanker	Overseas New Orleans LLC	Snow Drop Co., Ltd	Tuvalu	Scrapping in India
OVERSEAS PUGET SOUND	Tanker	Overseas Puget Sound LLC	Snow Drop Co., Ltd	Tuvalu	Scrapping in India
HARRIETTE	Cargo	Sealift LLC	Octavia Holdings S.A.	Panama	Scrapping in India
LIBERTY	Freighter	Wilmington Trust Co. Owner Trustee	No Sale Involved	Marshall Islands	RO/RO
ST. MARY CEMENT	Cargo	VCNA Prairie Illinois, Inc.	St. Mary's Cement	Canada	Move products on the Great Lakes
HOS CROSSFIRE	OSV	Hornbeck Offshore Services LLC	No sale involved	Mexico	Offshore oil field support
HOS HAWKE	OSV	Hornbeck Offshore Services LLC	No sale involved	Mexico	Offshore oil field support
WARRIOR CHIEF	Industrial	Bisso Marine Co., Inc.	Imi del Peru SAC	Panama	Offshore support
OT&T 267	Barge	Offshore Express LLC	Imi del Peru SAC	Peru	Transporting oil field platform supplies
KAHOKU	Barge	Offshore Express LLC	Imi del Peru SAC	Peru	Transporting oil field platform

					supplies
POLAR TRADER	Barge	Offshore Express Inc.	IMI del Peru SAC	Peru	Transporting oil field platform supplies
SUN STATE NO. 9	Barge	St, John Equipment Corp.	Sante Pax S.A.	Panama	International trade cargo
BFT NO. 39	Barge	Reinauer Transportation Co., LLC	Capital Oil & Gas Industries Ltd.	Nigeria	Transportation of petroleum product
GEORGE MORRIS	Barge	Reinauer Transportation Co., LLC	Capital Oil & Gas Industries Ltd.	Nigeria	Transportation of petroleum product
PUTNAM	Barge	Reinauer Transportation Co., LLC	Capital Oil & Gas Industries Ltd.	Nigeria	Transportation of petroleum product
RTC 70	Barge	Reinauer Transportation Co., LLC	Capital Oil & Gas Industries Ltd.	Nigeria	Transportation of petroleum product
RTC 90	Barge	Reinauer Transportation Co., LLC	Capital Oil & Gas Industries Ltd.	Nigeria	Transportation of petroleum product
RTC 501	Barge	Reinauer Transportation Co., LLC	Capital Oil & Gas Industries Ltd.	Nigeria	Transportation of petroleum product
RTC 41	Barge	Reinauer Transportation Co., LLC	Capital Oil & Gas Industries Ltd.	Nigeria	Transportation of petroleum product
BFT NO. 50	Barge	Reinauer Transportation Co., LLC	Capital Oil & Gas Industries Ltd.	Nigeria	Transportation of petroleum product
RTC 503	Barge	Reinauer Transportation Co., LLC	Capital Oil & Gas Industries Ltd.	Nigeria	Transportation of petroleum product
RTC 105	Barge	Reinauer Transportation Co., LLC	Capital Oil & Gas Industries Ltd.	Nigeria	Transportation of petroleum product
LOVING TIDE	Platform Supply Vessel	Jackson Marine LLC	Vermilion Fleet Ltd.	Vanuatu	Oil & gas production exploration
HOS DAKOTA	OSV	Hornbeck Offshore Services, LLC	No sale involved	Mexico	Drilling
ENSCO 82	Drilling	Ensco Offshore Co.	Ensco Deepwater LLC Ensco Global Gmbh	Mexico	Drilling
ENSCO 90	Drilling	Ensco Offshore Co.	Ensco Global Gmbh	Mexico	Drilling
ENSCO 99	Drilling	Ensco Offshore Co.	Ensco Deepwater LLC Ensco Global Gmbh	Mexico	Drilling
MARILYN	Cargo	Remington Shipping LLC	Anisa Shipping Ltd.	Nigerian	Scrapping in Pakistan
BLUE RIDGE	Tanker	Crowley Petroleum Transport Inc.	Titan Maritime (Cayman Islands) LLC	Marshall Islands	Scrapping in India
MAERSK CONSTELLATION	Cargo	Maersk Line Ltd.	Maritime Delivery Inc.	None	Scrapping in China
ESSEX	Barge	Moby II	Industrias Astivik S.A.	Colombia	Marine trade
DJ 35	Barge	Moby II	Industrias Astivik S.A.	Colombia	Marine trade
COASTAL RANGE	Tanker	Crowley Petroleum Transport Inc.	Titan Maritime (Cayman Islands) LLC	Marshall Islands	Scrapping in India
BONNIE R	Barge	Olympic Tug & Barge Inc.	West Coast Tug & Barge Ltd.	Canada	Carry freight in Canadian waters
M-450	Barge	Martin Operating Partnership LP	Genesis Worldwide Shipping & Trading Co. Ltd.	Panama	Transportation of petroleum products to West

					Africa
ENERGY 6505	Barge	Puerto Rico Maritime Consulting, Inc.	Garnish Maritime Corp.	Honduras	Lightering
ENERGY 8701	Barge	Trade in Asia-Pacific, Europe, South America	Cedar Lake Shipping Corp.	Honduras	Lightering
LA FLACA III	Barge	Puerto Rico Maritime Consulting Inc.	Anacosta Maritime Corp.	Honduras	Lightering
JMC 2511	Barge	Cashman Equipment Corp.	No sale involved	Colombia	Marine trade
LUCCA	Barge	Landing Way Depot Inc.	REM International C.I.S.A.	Colombia	Carry freight to South American waters
TRICO MYSTIC	Supply vessel	POSH (USA) Inc.	Maritime Charlie Pte Ltd.	Singapore	Marine trade
HATTERAS	Barge	Tesza Marine Inc.	Leasing Advisory & Services	Colombia	Floating storage
SEA DISCOVERER	Passenger	Discoverer Owner LLC	Clipper Cruises Ltd	Bahamas	Passenger cruise
SEA VOYAGER	Passenger	Voyager Owner LLC	Clipper Cruises Ltd.	Bahamas	Passenger cruise
C-AMBASSADOR	OSV	Nautical Ventures LLC	No sale involved	Vanuatu	Marine operations
C-ATLAS	OSV	Nautical Ventures LLC	No sale involved	Vanuatu	Marine operations
C-AGGRESSOR	OSV	Nautical Ventures LLC	No sale involved	Vanuatu	Marine operations
FB-1	Barge	Nelson Shipping LLC	Corpoelec	Venezuela	Use as floating fuel storage
FB-2	Barge	Nelson Shipping LLC	Corpoelec	Venezuela	Use as floating fuel storage
ENERGY 7002	Cargo	Puerto Rico Maritime Consulting, Inc.	Poulbay Shipping Corp.	Honduras	Lightering
OCEAN STALWART	Cargo	Ocean Stalwart Holding, LLC	No sale involved	Vanuatu	Oceanographic matters in South America
BRUSCO 400	Barge	Oregon Sealark LLC	McKeil Work Boats Ltd.	Canada	Transport cargo on Great Lakes
OSG 400	Barge	OSG 400 LLC	Veslin Guatemala Sociedad Anomina	St. Vincent & The Grenadines	Storage
HERCULES 190	Drilling	The Offshore Drilling Company	Lexanda International Limited	Liberia	Drilling
OCEAN CRUSADER	Drilling	Diamond Offshore Service	Phoenix Offshore LLC	Marshall Islands	Drilling
OCEAN CHAMPION	Drilling	Diamond Offshore Service	Phoenix Offshore LLC	Marshall Islands	Drilling
OCEAN DRAKE	Drilling	Diamond Offshore Service	Phoenix Offshore LLC	Marshall Islands	Drilling
OCEAN TITAN	Drilling	Diamond Offshore Service	Phoenix Offshore LLC	Marshall Islands	Drilling
OCEAN NUGGET	Drilling	Diamond Offshore Service	Phoenix Offshore LLC	Marshall Islands	Drilling
SOUTHERN CROSS	Supply vessel	Ralph Mcingvale	Transportation Maritima Mexicana S.A. de C.V.	Canada	Offshore oil & gas operations
DT 273	Barge	Dunlap Towing Co.	Royal Bank of Canada	Canada	Transport cargo & log materials
SEABULK AMERICA	Tank ship	Seabulk America LLC	Urizen Shipping Ltd.		Scrapping in India

## Appendix 8

## Loan Guarantees in the Title XI Portfolio As of September 30, 2010 & 2011

As of 30 September, 2010			
SHIPOWNER	VESSELS	MA. NUMBER	TOTAL MORTGAGE BAL.
AHL SHIPPING COMPANY	DOWNING/ANAZI/NEW RIVER/MONSIGNOR	MA-13011	\$0
ALTER BARGE LINE INC	88 COVERED HOPPER BARGES	MA-13710	\$12,857,000
AQ STEAMSHIP	AMERICAN QUEEN	MA-13048	\$0
ASTRO OFFSHORE CORPORATION	ASTRO BARRACUDA/1 SUPPLY VESSEL	MA-13478	\$7,651,000
BILLYBEY FERRY COMPANY LLC	16 FERRY VESSELS	MA-13988	\$13,915,326
CAL DIVE I TITLE XI INC	DEEPWATER MULTI-SERVICE VESSEL	MA-13599	\$114,810,873
CANAL BARGE COMPANY INC	CBC 325-CBC 328	MA-12870	\$888,000
CANAL BARGE COMPANY INC	CBC 329-355, 110-114, 118-227, 761-762	MA-13535	\$14,564,000
CANAL BARGE COMPANY INC	21 RIVER BARGES	MA-13199	\$5,208,000
CANAL BARGE COMPANY INC	CBC 100-109, CBC 301-302, CBC 366-368	MA-13730	\$8,657,000
CANAL BARGE COMPANY INC	CBY 222-251, CBC 1267-8, 903-912	MA-13394	\$5,804,000
CANAL BARGE COMPANY INC	CBC 193, 197-199, 2 DECK BARGES	MA-13019	\$992,000
CANAL BARGE COMPANY INC	39 BARGES	MA-14123	\$40,209,400
CASHMAN EQUIPMENT CO	CEC 251-CC-255	MA-13491	\$3,403,000
CASHMAN EQUIPMENT CO	7 OCEAN DECK BARGES	MA-13351	\$4,003,000
FOSS MARITIME	3 DOUBLE HULL BUNKER BARGES	MA-2010-1	\$22,544,000
EASTERN SHIPBUILDING GROUP INC	SHIPYARD MODERNIZATION	MA-13544	\$2,198,000
EMPRESA ENERGETIA CORINIO LTD	MARGARITA II	MA-13498	\$3,056,000
ENSCO OFFSHORE COMPANY	ENSCO 7500	MA-13552	\$69,673,000
ENSCO OFFSHORE COMPANY	ENSCO 105	MA-13674	\$47,250,000
GLOBAL INDUSTRIES LTD	HERCULES	MA-13576	\$57,420,000
GUAM INDUSTRIAL SERVICES INC	ONE DRY DOCK	MA-13819	\$2,522,889
HAWAII SUPERFERRY, INC.	PASSENGER/VEHICLE FERRIES	MA-14018	\$0
LAKE EXPRESS LLC	PASSENGER /CAR FERRY	MA-13902	\$11,456,193
LIGHTSHIP TANKERS I LLC	S R BRISTOL BAY	MA-13176	\$0
LIGHTSHIP TANKERS II LLC	HMI BRENTON REEF	MA-13182	\$0
LIGHTSHIP TANKERS III, LLC	SEABULK PRIDE	MA-13458	\$34,286,000
LIGHTSHIP TANKERS IV, LLC	SEABULK ARCTIC	MA-13464	\$34,352,000
LIGHTSHIP TANKERS V, LLC	SEABULK MARINER	MA-13468	\$34,435,000
MANSON CONST & ENGINEERING	ROCKPORT	MA-13056	\$1,583,773
MANSON CONST & ENGINEERING	SOUTHPORT	MA-13282	\$1,640,197
MANSON CONST & ENGINEERING	NORTHPORT AND EASTPORT	MA-13122	\$1,928,088
MANSON INTERNATIONAL INC	HR MORRIS	MA-13570	\$4,888,125
MATSON NAVIGATION COMPANY INC	MANUKAI, MAUNAWILI	MA-13853	\$81,400,000
PARKER TOWING COMPANY	PTC 421-440 1001-1002	MA-13144	\$0
PASHA HAWAII TRANSPORT LINES LLC	JEAN ANNE	MA-13620	\$61,646,986
PENN ATB INC	HULLS 133-134 266-267	MA-13272	\$21,568,000
PENN BARGE INC	ATLANTIC ELIZA CARIBBEAN LUCIA	MA-13037	\$6,492,750
PENN TRANSPORT INC	3 DOUBLE HULL BARGES	MA-13753	\$26,889,000
PENN TUG & BARGE INC	EVERGLADES	MA-13662	\$5,514,000
PERFORADORA CENTRAL, SA	TONALA	MA-13794	\$49,122,000
PETRODRILL FIVE LIMITED	PRIDE PORTLAND	MA-13511	\$85,267,000
PETRODRILL FOUR LIMITED	PRIDE RIO DE JANEIRO	MA-13505	\$78,503,000
PETRODRILL FOUR LIMITED	PRIDE PORTLAND/RIO DE JANEIRO	MA-2004	\$10,937,000
REINAUER MARITIME COMPANY	TWO TUG-BARGE UNITS	MA-13723	\$35,483,000
RIVERBARGE	2 HOTEL RIVER BARGES	MA-13329	\$0
ROWAN COMPANIES INC	GORILLA V	MA-13259	\$0
ROWAN COMPANIES INC	GORILLA VI	MA-13442	\$21,361,000
ROWAN COMPANIES INC	GORILLA VII	MA-13540	\$54,073,000
ROWAN COMPANIES INC	BOB PALMER	MA-13683	\$114,453,000
ROWAN COMPANIES INC	SCOOTER YEARGRAIN	MA-13839	\$54,718,000
ROWAN COMPANIES INC	BOB KELLER	MA-13844	\$59,768,000
STERLING EQUIPMENT INC	E CARROL/CAPT FOURNIER/JOE VERROCHI	MA-13742	\$5,874,000
SUPERIOR ENERGY LIFTBOATS LLC	SUPERIOR GALE AND SUPERIOR STORM	MA-13770	\$13,761,000
TOTEM OCEAN TRAILER EXPRESS INC	M/V NORTH STAR	MA-13882	\$83,446,000
TOTEM OCEAN TRAILER EXPRESS INC	MIDNIGHT SUN	MA-13760	\$146,369,608
TRAILER BRIDGE INC	THREE CARRIER BARGES	MA-13346	\$9,310,716
TRAILER BRIDGE INC	CHICAGO BRIDGE AND CHARLOTTE BRIDGE	MA-13306	\$5,568,519
TRICO MARINE INTERNATIONAL INC	SPIRIT RIVER AND HONDO RIVER	MA-13517	\$5,029,000
TT BARGE SERVICES	SHIPYARD MODERNIZATION	MA-13357	\$0
TUGZ INTERNATIONAL LLC	TWO MULTI-PURPOSE TRACTOR TUGS	MA-13242	\$0
VANE LINE BUNKERING INC	DOUBLE SKIN 51 AND DOUBLE SKIN 52	MA-13813	\$8,007,300
VANE LINE BUNKERING INC	DOUBLE SKIN 55, DOUBLE SKIN 57	MA-13959	\$8,956,600
VESSEL MANAGEMENT SERVICES INC	VESSEL	MA-14106	\$269,230,000
VESSEL MANAGEMENT SERVICES INC	10 TUGS	MA-13472	\$40,320,000
VESSEL MANAGEMENT SERVICES INC	ALBERT/ATTENTIVE/AWARE/ROGER G/ GUS E	MA-13667	\$21,450,000
VESSEL MANAGEMENT SERVICES INC	SEA RELIANCE AND SOUND RELIANCE	MA-13718	\$38,879,000
VESSEL MANAGEMENT SERVICES INC	OCEAN RELIANCE AND COASTAL RELIANCE	MA-13766	\$42,624,000
TOTAL GUARANTEES OUTSTANDING			58
OUTSTANDING COMMITMENTS			\$2,028,217,344
TOTAL GUARANTEES AND COMM.			\$2,028,217,342

As of 30 September, 2011			
SHIPOWNER	VESSELS	MA. NUMBER	TOTAL MORTGAGE BAL.
ALTER BARGE LINE INC	88 COVERED HOPPER BARGES	MA-13710	\$0
ASTRO OFFSHORE CORPORATION	ASTRO BARRACUDA/1 SUPPLY VESSEL	MA-13478	\$6,843,000
BILLYBEY FERRY COMPANY LLC	16 FERRY VESSELS	MA-13988	\$13,168,925
CAL DIVE I TITLE XI INC	DEEPWATER MULTI-SERVICE VESSEL	MA-13599	\$110,165,741
CANAL BARGE COMPANY INC	CBC 325-CBC 328	MA-12870	\$672,000
CANAL BARGE COMPANY INC	CBC 329-355, 110-114, 118-227, 761-762	MA-13535	\$13,524,000
CANAL BARGE COMPANY INC	21 RIVER BARGES	MA-13199	\$4,282,000
CANAL BARGE COMPANY INC	CBC 100-109, CBC 301-302, CBC 366-368	MA-13730	\$8,131,000
CANAL BARGE COMPANY INC	CBY 222-251, CBC 1267-8, 903-912	MA-13394	\$5,336,000
CANAL BARGE COMPANY INC	CBC 193, 197-199, 2 DECK BARGES	MA-13019	\$786,000
CANAL BARGE COMPANY INC	39 BARGES	MA-14123	\$38,568,200
CASHMAN EQUIPMENT CO	CEC 251-CC-255	MA-13491	\$3,159,000
CASHMAN EQUIPMENT CO	7 OCEAN DECK BARGES	MA-13351	\$3,705,000
FOSS MARITIME	3 DOUBLE HULL BUNKER BARGES	MA-2010-1	\$21,416,800
EASTERN SHIPBUILDING GROUP INC	SHIPYARD MODERNIZATION	MA-13544	\$1,754,000
ENSCO OFFSHORE COMPANY	ENSCO 7500	MA-13552	\$57,007,000
ENSCO OFFSHORE COMPANY	ENSCO 105	MA-13674	\$42,750,000
GLOBAL INDUSTRIES LTD	HERCULES	MA-13576	\$53,460,000
GUAM INDUSTRIAL SERVICES INC	ONE DRY DOCK	MA-13819	\$2,239,422
LAKE EXPRESS LLC	PASSENGER /CAR FERRY	MA-13902	\$10,842,837
LIGHTSHIP TANKERS III, LLC	SEABULK PRIDE	MA-13458	\$32,723,000
LIGHTSHIP TANKERS IV, LLC	SEABULK ARCTIC	MA-13464	\$32,785,000
LIGHTSHIP TANKERS V, LLC	SEABULK MARINER	MA-13468	\$32,864,000
MANSON CONST & ENGINEERING	ROCKPORT	MA-13056	\$1,464,145
MANSON CONST & ENGINEERING	SOUTHPORT	MA-13282	\$1,543,840
MANSON CONST & ENGINEERING	NORTHPORT AND EASTPORT	MA-13122	\$1,789,685
MANSON INTERNATIONAL INC	HR MORRIS	MA-13570	\$4,526,042
MATSON NAVIGATION COMPANY INC	MANUKAI, MAUNAWILI	MA-13853	\$77,000,000
PASHA HAWAII TRANSPORT LINES LLC	JEAN ANNE	MA-13620	\$59,651,017
PENN ATB INC	HULLS 133-134 266-267	MA-13272	\$19,840,000
PENN BARGE INC	ATLANTIC ELIZA CARIBBEAN LUCIA	MA-13037	\$5,194,200
PENN TRANSPORT INC	3 DOUBLE HULL BARGES	MA-13753	\$25,353,000
PENN TUG & BARGE INC	EVERGLADES	MA-13662	\$4,988,000
PERFORADORA CENTRAL, SA	TONALA	MA-13794	\$7,933,063
PETRODRILL FIVE LIMITED	PRIDE PORTLAND	MA-13511	\$71,057,000
PETRODRILL FOUR LIMITED	PRIDE RIO DE JANEIRO	MA-13505	\$64,231,000
PETRODRILL FOUR LIMITED	PRIDE PORTLAND/RIO DE JANEIRO	MA-2004	\$9,115,000
REINAUER MARITIME COMPANY	TWO TUG-BARGE UNITS	MA-13723	\$33,425,000
ROWAN COMPANIES INC	GORILLA VI	MA-13442	\$7,109,000
ROWAN COMPANIES INC	GORILLA VII	MA-13540	\$38,623,000
ROWAN COMPANIES INC	BOB PALMER	MA-13683	\$104,047,000
ROWAN COMPANIES INC	SCOOTER YEARGRAIN	MA-13839	\$48,638,000
ROWAN COMPANIES INC	BOB KELLER	MA-13844	\$53,790,000
STERLING EQUIPMENT INC	E CARROL/CAPT FOURNIER/JOE VERROCHI	MA-13742	\$5,405,000
SUPERIOR ENERGY LIFTBOATS LLC	SUPERIOR GALE AND SUPERIOR STORM	MA-13770	\$12,951,000
TOTEM OCEAN TRAILER EXPRESS INC	M/V NORTH STAR	MA-13882	\$70,374,000
TOTEM OCEAN TRAILER EXPRESS INC	MIDNIGHT SUN	MA-13760	\$141,673,811
TRAILER BRIDGE INC	THREE CARRIER BARGES	MA-13346	\$8,938,287
TRAILER BRIDGE INC	CHICAGO BRIDGE AND CHARLOTTE BRIDGE	MA-13306	\$5,336,497
VANE LINE BUNKERING INC	DOUBLE SKIN 51 AND DOUBLE SKIN 52	MA-13813	\$7,549,740
VANE LINE BUNKERING INC	DOUBLE SKIN 55, DOUBLE SKIN 57	MA-13959	\$8,485,200
VESSEL MANAGEMENT SERVICES INC	VESSEL	MA-14106	\$258,460,000
VESSEL MANAGEMENT SERVICES INC	10 TUGS	MA-13472	\$37,440,000
VESSEL MANAGEMENT SERVICES INC	ALBERT/ATTENTIVE/AWARE/ROGER G/ GUS E	MA-13667	\$20,020,000
VESSEL MANAGEMENT SERVICES INC	SEA RELIANCE AND SOUND RELIANCE	MA-13718	\$36,589,000
VESSEL MANAGEMENT SERVICES INC	OCEAN RELIANCE AND COASTAL RELIANCE	MA-13766	\$40,186,000
TOTAL GUARANTEES OUTSTANDING			57
OUTSTANDING COMMITMENTS			\$1,788,909,452
COMMITMENT BALANCE			
BOLDINI			\$240,756,000
VESSEL MANAGEMENT SERVICES INC.			\$346,129,000
OVERSEAS SHIPHOLDING GROUP			\$210,900,000
TOTAL GUARANTEES AND COMM.			\$2,586,694,452

Appendix 9

## Pending Applications for Title XI Financing As of September 30, 2010 & 2011

**MARITIME ADMINISTRATION  
Title XI Ship Financing Guarantees**

**PENDING APPLICATIONS as of 30 September 2010**

<u>Applicant</u>	<u>No. of Ships</u>	<u>Types of Vessels/Projects</u>	<u>Shipyard</u>	<u>Actual Cost to Applicant</u>	<u>Requested Loan Amount</u>	<u>Requested Term</u>	<u>Arrival Date</u>
Rowan Companies, Inc.	4	EXL class jack-up drill rigs	Keppel AmFELS, Brownsville, TX	\$736,132,000	\$431,816,000	20 yrs	01/14/09
*Boldini, S.A.	5	Platform Supply Vessels	Eastern Shipbuilding Group, Panama City, FL	\$249,995,000	\$227,177,000	25 yrs	03/10/09
OSG Delaware Bay Lightering LLC	2	Barges	Bender Shipbuilding & Repair Co., Mobile, AL	\$323,675,000	\$283,220,000	25 yrs	06/10/09
	2	Tugs	VT Halter Marine, Inc., Pascagoula, MS Tampa Ship, LLC, Tampa, FL				
Vessel Management Services, Inc.	3	Articulated Tug Barges	VT Halter Marine, Gulfport, MS	\$402,000,000	\$352,000,000	25 yrs	08/12/09
			Dakota Creek Industries, Inc., Anacortes, WA				
Overseas ST Holdings LLC	2	Shuttle Tankers	Aker Philadelphia Shipyard, Philadelphia, PA	\$276,325,000	\$241,780,000	25 yrs	02/18/10
			Detyens Shipyards, Inc., North Charleston, SC				
American Petroleum Tankers Parent LLC	5	Product/Chemical Tankers	National Steel and Shipbuilding Company, San Diego, CA	\$680,000,000	\$470,000,000	25 yrs	09/01/10
<b>TOTAL</b>	<b>23</b>			<b>\$2,668,127,000</b>	<b>\$2,005,993,000</b>		
* export project							

MARITIME ADMINISTRATION  
Title XI Ship Financing Guarantees

**PENDING APPLICATIONS as of 30 September 2011**

<u>Applicant</u>	<u>No. of Ships</u>	<u>Types of Vessels/Projects</u>	<u>Shipyard</u>	<u>Actual Cost to Applicant</u>	<u>Requested Loan Amount</u>	<u>Requested Term</u>	<u>Arrival Date</u>
Overseas ST Holdings LLC	2	Shuttle Tankers	Aker Philadelphia Shipyard, Philadelphia, PA Detyens Shipyards, Inc., North Charleston, SC	\$276,325,000	\$241,780,000	25 yrs	02/18/10
American Petroleum Tankers Parent LLC	5	Product/Chemical Tankers	National Steel and Shipbuilding Company, San Diego, CA	\$680,000,000	\$470,000,000	25 yrs	09/01/10
<b>TOTAL</b>	<b>7</b>			<b>\$956,325,000</b>	<b>\$711,780,000</b>		

## **Other Required Title XI Data**

46 USC 53718 requires the Administrator to report the following additional information on the Title XI Program to Congress annually:

### 2010

#### Appropriations Available For New Guarantees

- As of September 30, 2010 there was \$76,611,811 available for new guarantees.

#### Profiles Projects Approved Since Last Report

- On March 29, 2010, the Maritime Administrator approved \$22,743,000 of loan guarantees for Foss Maritime Company to support construction of three double hull bunker barges.

#### Projects in the Portfolio Facing Financial Difficulties

- As of September 30, 2010, projects totaling \$218,576,942 faced financial difficulties.

#### Profiles of Any Defaults since Last Report

- In December 2, 2009, Hawaii Superferry, Inc. defaulted on \$137,527,402 of Title XI guaranteed debt that was secured by two passenger/vehicle ferries.
- In February 28, 2010, American Heavy Lift Shipping Company defaulted on \$91,043,890 of Title XI guaranteed debt that was secured by four tankers.

### 2011

#### Appropriations Available For New Guarantees

- As of September 30, 2011, there was \$60,601,812 available for new guarantees.

#### Profiles Projects Approved Since Last Report

- On March 8, 2011, the Maritime Administrator approved \$240,756,000 of loan guarantees for Boldini, SA to support construction of 5 platform supply vessels for service off Brazil.
- On May 17, 2011, the Maritime Administrator approved \$210,900,000 of loan guarantees for OSG Delaware Bay Lightering LLC to support construction of 2 articulated tug barges for service in the Delaware River.
- On August 8, 2011, the Maritime Administrator approved \$346,129,000 of loan guarantees for Vessel Management Services Inc. to support construction of 3 articulated tug barges for service in the Gulf of Mexico.

#### Projects in the Portfolio Facing Financial Difficulties

- As of September 30, 2011, projects totaling \$176,091,979 faced financial difficulties.

#### Profiles of Any Defaults Since Last Report

- There were no defaults during FY 2011.





**U.S. Department of Transportation**  
**Maritime Administration**  
**1200 New Jersey Avenue, SE**  
**Washington, DC 20590**  
**1-800-99-MARAD**