



PRESS RELEASE

IMMEDIATE RELEASE

**Contact: Julia Fields
613-294-8515**

Wisconsin Recognizes Ballast Water Standards Cannot be Achieved Canadian-based international shipowners encouraged by new rules being proposed

Ottawa, Canada. (December 22, 2010) – Canadian-based international shipowners are encouraged by a decision by the State of Wisconsin to recommend changing its ballast water treatment regulations after concluding that the standards cannot be achieved technologically.

As a consequence of a year-long feasibility study, the Wisconsin Department of Natural Resources (WDNR) last night announced that they propose modifying their Vessel General Permit standards for ballast water treatment to reflect standards set out by the International Maritime Organization, a body of the United Nations. Previously, the WDNR had required a treatment standard 100x more stringent than the IMO standard. The new Wisconsin requirements being proposed would become effective in 2012 for new ocean-going vessels and in 2014 for existing ocean-going vessels.

Canadian-based international shipowners that transport cargo from overseas to U.S. and Canadian throughout the Great Lakes, said Wisconsin's recommendation was an important step towards harmonizing ballast water standards across all the states bordering the Great Lakes-Seaway System. A patch-work of ballast water regulations from state to state — some of which are technologically unachievable — have put future shipping business at risk.

Marc Gagnon, director of government affairs and regulatory compliance for Montreal-based Fednav Limited, one of the largest international shipping companies based in Canada, said: "The Wisconsin DNR's recommendation to adopt the IMO ballast water standards, as have many of its fellow Great Lakes states and Canada, is most encouraging. We are hopeful that New York and Michigan will choose to follow suit and endorse a consistent regulatory regime for ocean-going vessels trading in the bi-national waters of the Great Lakes."

When not fully loaded, commercial cargo ships must take on water (ballast) to maintain their stability. Once pumped on board, ballast water is stored in narrow cavities (ballast tanks) built into the hull of a ship. Ballast water pumped onboard in one port may inadvertently contain aquatic organisms that are then released when ballast is discharged in another port. All ocean-going ships are currently required to flush out their ballast water tanks with seawater before entering the St. Lawrence Seaway, which scientific studies have shown to be very effective at killing most fresh-water organisms. However, the shipping industry also supports installing on ocean-going vessels ballast water treatment equipment that meets IMO standards as a further protection.

In February 2010, the state of Wisconsin began regulating the ballast water discharges of ocean-going commercial vessels in an effort to minimize the transfer of aquatic invasive species. These regulations require vessel operators to install environmental technology to clean or treat ballast water to achieve a specific water quality standard. Wisconsin's standard was 100 times more stringent than that established by the IMO, the maritime arm of the United Nations.

The shipping industry had objected to Wisconsin's water quality standard, insisting that it was unachievable with current technology. As a consequence, the state launched a feasibility study to be concluded at the end of 2010.

The following determinations have been made as a result of that year-long process:

- Testing protocols are not available to verify compliance with Wisconsin's standard.
- Treatment technologies to meet Wisconsin's standard are not commercially available at this time.
- At this time it is not feasible to install the treatment technologies onboard vessels.
- Open-ocean salt water flushing has been proven to be effective in helping reduce the threat of aquatic non-indigenous species to U.S. waters. WDNR will retain this practice for the long term in an effort to better protect their waters.

Fednav's Marc Gagnon noted: "In Wisconsin, science and reason have prevailed in recognizing that the IMO ballast water treatment standards are effective, biologically defensible and verifiable. Supplementing those standards, as Wisconsin's proposed regulation stipulates, by requiring that ocean-going vessels continue to exchange their ballast at sea, will ensure that the Great Lakes retain their current standing as the region with the most stringent ballast water requirements anywhere."

Jason Serck, president of the Wisconsin Commercial Port Association, commented: "I commend the Department of Natural Resources for undertaking this study and proposing a change of regulations to reflect sound science. The proposed change will save Wisconsin jobs by harmonizing Wisconsin's regulations with those of neighboring states."