

To the Members December 2013

Dear Sirs,

<u>US Environmental Protection Agency (EPA) 2013 Vessel General Permit (VGP)</u> Requirements

Background

Members will recall that from 19 December 2008, all commercial vessels 79 feet (24.08 metres) in length or greater operating in a capacity as a means of transportation, that have discharges incidental to their normal operations and operating within three nautical miles of US coastlines and inland waters, were subject to the requirements of the VGP.

2013 VGP

The second issuance of the VGP will become effective on 19 December 2013 for a period of five years and will supersede the first iteration of the VGP.

General information on the VGP requirements, including the final 2013 VGP, can be accessed at the following link http://cfpub.epa.gov/npdes/vessels/vgpermit.cfm.

The 2013 VGP requirements will impact all vessels 79 feet (24.08 metres) in length or greater operating in a capacity as a means of transportation, that have discharges incidental to their normal operations and operating within three nautical miles of the US coastline and inland waters.

The types of vessels covered under the 2013 VGP include commercial fishing vessels¹, cruise ships, ferries, barges, mobile offshore drilling units, oil tankers or petroleum tankers, bulk carriers, cargo ships, container ships, other cargo freighters, refrigerant ships, research vessels, emergency response vessels, including firefighting and police vessels, and any other vessels operating in a capacity as a means of transportation. Recreational vessels and vessels of the Armed Forces are not subject to the VGP requirements.

A list of discharge types subject to coverage and a list of limitations on coverage under the VGP are contained in Annex I to this circular.

Procedure

Owner/Operator required to submit a Notice of Intent (NOI)

To obtain VGP coverage (which will give authorisation to discharge under the VGP), the owner or operator of a vessel that is either 300 or more gross registered tons or has the capacity to hold or discharge more than 8 cubic metres (2113 gallons) of ballast water is required to submit a NOI no later than 12 December 2013 or seven days prior to the discharge to continue uninterrupted coverage.

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¹ The moratorium on coverage for commercial fishing vessels 79 feet or larger expires on 18 December 2013.

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NOI submission deadlines and discharge authorisation dates may be found in annex II of this circular.

The owner or operator must submit a NOI using EPA's Electronic NOI (eNOI) system (<u>www.epa.gov/npdes/vessels/eNOI</u>). Where an owner or operator meets one of the exemption in Part 1.14 of the VGP, a paper NOI may be submitted in lieu of the eNOI. However, submitting a paper NOI may extend the waiting period for authorisation to discharge.

Owners and operators are advised to check if their NOI has been processed via the following link www.epa.gov/npdes/vessels/eNOI prior to commencing discharging in order to ensure that they are not in violation of the VGP.

The owner or operator must keep a copy of their NOI on board the vessel at all times.

Owner/Operator not required to submit a NOI

The owner or operator of a vessel less than 300 gross registered tons and which do not have the capacity to carry more than 8 cubic metres of ballast water do not need to submit a NOI. However the owner or operator must complete the VGP Permit Authorisation and Record of Inspection (PARI) form.

The owner or operator must keep a copy of the PARI form on board the vessel at all times.

Reporting

For each vessel, owners or operators are required to submit an Annual Report electronically for each year that they have active permit coverage.

Annual Reports must be completed for each calendar year but submitted by 28 February of the following year. The 2014 Annual Report will therefore be due by 28 February 2015.

Owners or operators are not required to submit a separate 2013 Annual Report. However, any relevant information from 19 December 2013 to 31 December 2013, if applicable, must be included in the 2014 Annual Report.

The Annual Report can be completed online via www.epa.gov/npdes/vessels or through the eNOI system www.epa.gov/npdes/vessels/eNOI.

All Clubs in the International Group of P&I Clubs have issued similar circulars.

Yours faithfully,

STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED

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MANAGERS: STEAMSHIP P&I MANAGEMENT LLP

Annex I

Discharge types eligible for coverage under the VGP

- o Deck Washdown and Runoff and Above Water Line Hull Cleaning
- o Bilgewater/Oily Water Separator Effluent
- o Ballast Water
- o Anti-fouling Hull Coatings/Hull Coating Leachate
- Aqueous Film Forming Foam (AFFF)
- Boiler/Economizer Blowdown
- Cathodic Protection
- Chain Locker Effluent
- Controllable Pitch Propeller and Thruster Hydraulic Fluid and other Oil Sea Interfaces including Lubrication Discharges from Paddle Wheel Propulsion, Stern Tubes, Thruster Bearings, Stabilizers, Rudder Bearings, Azimuth Thrusters, and Propulsion Pod Lubrication, and Wire Rope and Mechanical
- Equipment Subject to Immersion
- Distillation and Reverse Osmosis Brine
- Elevator Pit Effluent
- o Firemain Systems
- o Freshwater Layup
- o Gas Turbine Wash Water
- o Graywater

Except that Graywater from commercial vessels within the meaning of CWA section 312 that are operating in the Great Lakes is excluded from the requirement to obtain an NPDES permit (see CWA section 502(6)), and thus is not within the scope of this permit.

- Motor Gasoline and Compensating Discharge
- o Non-Oily Machinery Wastewater
- o Refrigeration and Air Condensate Discharge
- Seawater Cooling Overboard Discharge (Including Non-Contact Engine Cooling Water; Hydraulic System Cooling Water, Refrigeration Cooling Water)
- Seawater Piping Biofouling Prevention
- Boat Engine Wet Exhaust
- o Sonar Dome Discharge
- Underwater Ship Husbandry
- Welldeck Discharges
- o Graywater Mixed with Sewage from Vessels
- o Exhaust Gas Scrubber Washwater Discharge
- Fish Hold Effluent

List is complete as of December 2013

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Limitations on Coverage under the VGP

Discharges Not Subject to Former NPDES Permit Exclusion and Vessel Discharges Generated from Vessels when they are Operated in a Capacity Other than as a Means of Transportation

Discharges that are outside the scope of the former exclusion from NPDES permitting for discharges incidental to the normal operation of a vessel as set out in 40 CFR §122.3(a), as in effect on December 18, 2008, are ineligible for coverage under this permit. This permit does not apply to any vessel when it is operating in a capacity other than as a means of transportation. For any discharges identified in this permit, discharges are not eligible if they contain materials resulting from industrial or manufacturing processes onboard or other materials not derived from the normal operations of a vessel.

Vessels when they are being used as an energy or mining facility, a storage facility, a seafood processing facility, or when secured to the bed of waters subject to this permit or to a buoy for the purpose of mineral or oil exploration or development are not eligible for coverage under this permit. Furthermore, "floating" craft that are permanently moored to piers, such as "floating" casinos, hotels, restaurants, bars, etc. are not covered by the former vessel exclusion and would not be covered by this vessel permit.

Sewage

Discharges of sewage from vessels, as defined in CWA section 502(6) and 40 CFR §122.2, are not required to obtain NPDES permits. Instead, these discharges are regulated under section 312 of the CWA and 40 CFR Part 140 and 33 CFR Part 159. Under CWA section 312(a)(6), the definition of sewage includes graywater discharges from "commercial vessels" (as defined in CWA section 312(a)(10)) operating on the Great Lakes. If a vessel operating on the Great Lakes is not a "commercial vessel" as defined in CWA section 312(a)(10), the vessel's graywater discharges are eligible for coverage under this permit, and are subject to the additional permit requirements in Part 2.2.15.1.

Used or Spent Oil

Discharges of used or spent oil no longer being used for their intended purposes are not eligible for coverage under this permit.

Garbage or Trash

Discharges of rubbish, trash, garbage, or other such materials discharged overboard are not eligible for coverage under this permit. "Garbage" includes discharges of bulk dry cargo residues as defined at 33 CFR §151.66(b) (73 Fed. Reg. 56492 (September 29, 2008)) and agricultural cargo residues. Discharges of garbage are subject to regulation under 33 CFR Part 151, Subpart A.

Photo-Processing Effluent

Discharges from photo-processing operations are not eligible for coverage under this permit.

o Effluent from Dry Cleaning Operations

Discharges of spent or unused effluent from dry cleaning operations are not eligible for coverage under this permit. This includes any spent or unused tetrachloroethylene (perchloroethylene) from these operations.

Discharges of Medical Waste and Related Materials

Discharges of medical waste as defined in 33 USC 1362(20) are not eligible for coverage under this permit. Discharges of spent or unused pharmaceuticals, formaldehyde, or other biohazards no longer being used for their intended purposes are not eligible for coverage under this permit.

For purposes of this permit, the liquid produced by dialysis treatment of humans is not deemed to be "medical waste," and, like other human body waste, is subject to regulation under CWA §312 if introduced into marine sanitation devices, or under VGP Part 2.2.25 if added to a blackwater system combined with a graywater system. The direct overboard discharge of such liquid without treatment is not eligible for coverage under this permit.

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Discharges of Noxious Liquid Substance Residues

Discharges of noxious liquid substance residues subject to 33 CFR Part 151, Subpart A or 46 CFR §153.1102 are not eligible for coverage under this permit.

- o *Tetrachloroethylene (Perchloroethylene) and Trichloroethylene (TCE) Degreasers*Discharges of tetrachloroethylene (perchloroethylene) and trichloroethylene (TCE) degreasers or other products containing tetrachloroethylene or trichloroethylene are not eligible for coverage under this permit.
- o Discharges Currently or Previously Covered by an another NPDES Permit The following discharges are not eligible for coverage under this permit:
 - Vessel discharges covered, as of the effective date of this permit, under an individual or a general NPDES permit other than the VGP, unless EPA specifically allows coverage under Part 1.8.2, or otherwise provides written permission to be covered under this permit, or
 - Discharges from vessels covered by any NPDES permit that has been or is in the process of being denied, terminated, or revoked by EPA or a state permitting authority (this does not apply to the routine reissuance of permits every five years).

Source: Final 2013 VGP

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Annex II

NOI submission deadlines and discharge authorisation dates

Category	NOI Deadline	Discharge Authorisation date
Vessels authorized to discharge under the 2008 VGP	No later than December 12, 2013 or 7 days prior to discharge into waters subject to this permit, whichever is later	For eNOIs: December 19, 2013 or, if not submitted by December 12, 2013, 7 days after complete NOI processed** by EPA
New Owner/Operator of Vessel	By date of transfer of ownership	For Paper NOIs: 30 days after complete NOI processed by EPA Date of transfer or date EPA
transfer of ownership and/or operation of a vessel whose discharge is previously authorized under this permit	and/or operation	processes NOI, whichever is later
New vessels delivered to owner or operator after December 19, 2013	For vessels submitting eNOIs: 7 days prior to discharge into waters subject to this permit	For eNOIs: 7 days after complete NOI processed by EPA
	For vessels submitting Paper NOIs: At least 30 days prior to discharge into waters subject to this permit	For Paper NOIs: 30 days after complete NOI processed by EPA
Existing vessels delivered to owner or operator after December 19, 2013 that were not previously authorized under	For vessels submitting eNOIs: 7 days prior to discharge into waters subject to this permit	For eNOIs: 7 days after complete NOI processed by EPA
this permit	For vessels submitting Paper NOIs: At least 30 days prior to discharge into waters subject to this permit	For Paper NOIs: 30 days after complete NOI processed by EPA

^{*} Based on a review of your NOI or other information, EPA may delay the discharge authorization date for further review, or may deny coverage under this permit and require submission of an application for an individual NPDES permit, as detailed in Part 1.8 of the permit. In these instances, EPA will notify you in writing of the delay or the request for submission of an individual NPDES permit application. If EPA requires an individual permit for an existing vessel previously covered by this general permit, EPA will allow the permittee a reasonable amount of time to obtain individual permit coverage before their general permit coverage terminates.

Source: Final 2013 VGP

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^{**} NOI processing means that a complete electronic NOI has been submitted and successfully signed and certified by the permittee, or in the case of a paper NOI, that EPA has received your NOI and input the information into its electronic system. Submitting a paper NOI may result in processing delays dependent upon the volume of NOIs received by EPA.