



Shipowners Claims Bureau, Inc., Manager
60 Broad Street – 37th Floor
New York, New York 10004
U.S.A.

Tel: +1-212-847-4500
Fax: +1-212-847-4599
E-mail: info@american-club.net
Website: www.american-club.com

APRIL 26, 2005

CIRCULAR NO. 9/05

TO MEMBERS OF THE ASSOCIATION

Dear Member:

OIL POLLUTION IN THE UNITED STATES: NON-TANK VESSEL RESPONSE PLANS

The United States Coast Guard (USCG) has recently issued interim guidance in regard to a requirement for the owner or operator of any non-tank vessel operating in the navigable waters of the United States to prepare a Vessel Response Plan (VRP) and to submit it to the USCG for approval no later than August 8, 2005.

Moreover, it is understood that the USCG has requested that VRPs be submitted at least 30 days in advance of the August 8 compliance date. The relevant information, which is entitled *Interim Guidance for the Development and Review of Response Plans for Non-Tank Vessels* can be found at the USCG website – www.uscg.mil/hq/g-m/nvic/index00.htm. The specific Notice and Vessel Examination Circular No.01-05 can be found at www.uscg.mil/hq/g-m/nvic/NVIC%2001-05.doc.pdf.

Hitherto, VRPs have not been required for non-tank vessels in the United States, save for plans required under local laws such as those in Alaska and California. However, the new federal requirement (arising from an amendment to sections 311 (a) and (j) of the Federal Water Pollution Control Act) will affect non-tank vessels trading to all US states.

The new VRPs are required to have the following main features:

- a. They must be consistent with the provisions of the National Contingency Plan and Area Contingency Plans;
- b. They must identify the Qualified Individual (QI) having full authority to implement removal actions, and require immediate communication between the QI and the appropriate federal official and persons providing personnel and equipment in accordance with the provisions of paragraph c. below;
- c. They must identify and ensure by contract or other means approved by the USCG the availability of private personnel and equipment necessary to remove to the maximum extent practicable a worst case discharge (including a discharge resulting from a fire or explosion), and to mitigate or prevent a substantial threat of such discharge;
- d. They must describe the training, the equipment testing, periodic unannounced drills and response actions of persons on the vessel – to be carried out under the plan – to ensure the vessel's safety and to mitigate or prevent the discharge, or the substantial threat of a discharge;
- e. They must be updated periodically; and
- f. They must be re-submitted for approval of each significant change.

It is likely that most Members will require professional assistance to prepare a VRP. Equally, they will need access by contract to a firm providing QI and Spill Management Team (SMT) services, in addition to access by contract with services of an Oil Spill Response Organization (OSRO), and a salvor.

Plan writing services are provided by most US spill managers, the majority of whom will already be familiar to Members who have plans for their Alaska or California trades.

As to OSRO services, the Club has recently reached agreement with National Response Corporation (NRC) to supply Members with relevant services for non-tank vessels on preferential terms. It is expected that these arrangements will be seen as acceptable by the USCG for federal VRP purposes and can be used by spill managers in assisting Members to prepare their VRPs. The details of the Club's arrangements with NRC will be the subject of a further Circular in the near future, but in the meantime Members should be aware of the relationship.

As alluded to above, the USCG is requesting that all non-tank vessel owners and operators submit their VRPs as soon as possible and, at the latest, by July 9, 2005 in order to ensure that an authorization letter, valid for two years, is issued prior to the August deadline.

If the USCG is unable to review all the submitted plans in the time available they may issue an interim authorization letter until a detailed review is complete. **Members with vessels which are expected to call at US ports after August 8, 2005 are urged in any event to ensure that their VRP is submitted to the USCG at least 30 days before arrival in order to ensure that the vessel is not delayed.**

As is always the case, the Managers will be pleased to respond to any questions Members may have in regard to the above, or generally.

Yours faithfully,



Joseph E.M. Hughes, Chairman & CEO
Shipowners Claims Bureau, Inc., Managers for
THE AMERICAN CLUB