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Details:

(FORM UPDATED: 08/11/2010)

**WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS**

2009-10

(session year)

Assembly

(Assembly, Senate or Joint)

**Committee on ... Natural Resources
(AC-NR)**

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**
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INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt**
- Clearinghouse Rules ... **CRule**
- Hearing Records ... bills and resolutions
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Mike Barman (LRB) (Sept/2010)

Assembly

Record of Committee Proceedings

Committee on Natural Resources

Assembly Bill 360

Relating to: discharges of ballast water and related substances into the waters of the state, aquatic nuisance species, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation.

By Representatives Molepske Jr., Milroy, Danou, Zepnick, Black, Hraychuck, Turner, Zigmunt, Berceau, Hubler, Townsend, Pocan, Mason, Parisi, Clark, Pope-Roberts, Kleefisch, Roys, Hintz, Soletski and Bernard Schaber; cosponsored by Senators Schultz, Wirsch, Lassa and Risser.

July 31, 2009 Referred to Committee on Natural Resources.

September 2, 2009 **PUBLIC HEARING HELD**

Present: (14) Representatives Black, Danou, Molepske Jr.,
 Hraychuck, Hebl, Mason, Milroy, Clark, J. Ott,
 Gunderson, Huebsch, LeMahieu, Mursau and Nerison.

Absent: (1) Representative Steinbrink.

Appearances For

- Rep. Louis Molepske, Jr., Stevens Point
- Rep. Nick Milroy, Superior — 73rd Assembly District
- Melissa Malott, Madison — Clean Wisconsin
- George Meyer, Madison — Wisconsin Wildlife Federation
- Laura MacFarland, Madison — River Alliance of Wisconsin
- Shahla Werner, Madison — Sierra Club

Appearances Against

- Thomas Ward — Local 815 ILA
- Jason Serck, Superior — Wisconsin Commercial Ports Association
- David Ross, Superior — Mayor of Superior
- Richard Carlson, Superior — CHS Inc
- Shane Sweeney, Superior — Local 167G BCTGM
- Rawala Jerry, Superior — Local 167G BCTGM
- Thomas Schwarz, Milwaukee — Local 815 ILA
- Tom Reitzner, Cudahy — Local 815 ILA

- Phil Smith, Milwaukee — Local 815 ILA
- Anthony Krukowski, Milwaukee — Local 815 ILA
- Mike McCoshen, Superior — Hallett Dock Co
- Andy Lisak, Superior — The Development Association
- Sarah Barry, Poplar — Office of Sen. Bob Jauch
- Steve Baas, Milwaukee — MMAC
- Thomas Wynne, Richfield — The Interlake Steamship Co.
- Mark Rohn, Avon Lake — Grand River Navigation
- Jim Weakley, Rocky River — Lake Carriers Association
- Chris Fazio, New York — Polish Steamship Co.
- Marc Gagnon, Montréal — Fednav Ltd.
- Douglas Finn, Superior — Couglas County
- Tom Schwark, Milwaukee — Local 815 ILA

Appearances for Information Only

- Todd Ambs, Madison — DNR
- Joel Haubrich, Milwaukee — Wisconsin Energy

Registrations For

- Casey Eggleston, Madison — Nature Conservancy
- Jim Connors, Madison — Sierra Club

Registrations Against

- Laura Riske, Madison — Gaviion Grain
- Amy Boyer, Madison — WI Economic Development Association
- Scott Manley, Madison — WMC
- Donald Willecke, Superior — Western Great Lakes Pilots
Asociation
- Kim Hooey, Superior — Local 1000 ILA
- Norman Vorhees, Superior — Northern Wisconsin Building &
Construction Trades
- Daniel Olson, Duluth — Local 1091 Laborers
- John Manske, Madison — Cooperative Network
- Raphael Ramos, Milwaukee
- Dave Podratz, Superior — Murphy Oil
- Fred Shusterich, Superior — Midwest Energy Resources
- Steven Fisher — American Great Lakes Ports Association
- Phil Marquis, Superior — Graymont
- Patrick O'Hern, Sturgeon Bay — Bay Shipbuilding Co.

Registrations for Information Only

- None.

April 22, 2010

Failed to pass pursuant to Senate Joint Resolution 1.

John Maycroft
Committee Clerk





NEWS RELEASE

Wisconsin Department of Natural Resources
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AB 366
?

DATE: February 20, ~~2008~~ 2009
CONTACT: Adam Collins, (608) 266-2243

SUBJECT: Proposed State Ballast Water Permit Open for Public Comment

MADISON - Department of Natural Resources (DNR) Secretary Matt Frank today announced a new state ballast water permit is now open for public comment. The permit requires commercial ocean-going ships and those transporting cargo between Great Lakes ports to take steps to reduce aquatic invasive species in the ballast water they release into Wisconsin waters.

"This state permit will help protect our waterways from aquatic invasive species while maintaining a robust shipping industry in Wisconsin," DNR Secretary Matt Frank said. "We believe this permit provides strong protections without damaging the shipping industry. We will continue to see strong national legislation as the best solution to address this problem."

The permit would be valid for five years. Ocean-going ships would have to meet strict standards for the number of living organisms allowed in the ballast water they discharge in Wisconsin ports.

- Beginning in 2012, assuming commercially viable technology is available, existing ocean-going ships would have to meet a standard for living organisms in the ballast water they discharge that is 100 times more protective than the standard proposed by the International Maritime Organization. New York State uses the same standard.
- Beginning in 2013, assuming commercially viable technology is available, new ocean-going ships would be required to meet a standard that is 1,000 times more protective than the proposed international standards, and the same as California's.
- Commercial vessels that move only among Great Lakes ports would not have to meet a ballast discharge standard in this general permit, which would be effective through 2014. However, they would be required to immediately take steps to prevent spreading aquatic invasive species around the Great Lakes. These steps, or best management practices, are required upon coverage of the permit. A sediment management plan shall be maintained and conform to the U.S. Coast Guard standards.

A treatment standard for lakers may be included in the next general permit that DNR would issue. In the meantime, Wisconsin will be working with Minnesota to evaluate the various treatment systems available to commercial shippers.

“The best solution to this problem is a federal one but we cannot wait for Congress to act,” said Secretary Frank. “This permit will help stop the spread of these invasive species that take a steep toll on our Great Lakes, inland waterways and \$13 billion dollar tourism industry.”

More than 180 nonnative fish, plants, insects and organisms have entered the Great Lakes since the early 1800s, disrupting the food chain, fouling beaches, clogging infrastructure and costing citizens, industry and businesses more than \$200 million a year. Research has shown the primary way aquatic invasive species enter the Great Lakes is when ocean-going vessels discharge the ballast water they’ve carried on the ship to provide balance.

“Governor Doyle has been a leader in fighting aquatic invasive species in Wisconsin and under his administration funding has increased to help stop their spread on inland waters,” said Secretary Frank. “Under Governor Doyle’s leadership, we will continue to work with Wisconsin’s congressional delegation to achieve strong federal regulations and more federal funding to fight aquatic invasive species on the Great Lakes.”

The DNR has prepared an environmental assessment of the proposed general permit and does not anticipate the permit will result in significant environmental impacts. The department has made a preliminary determination that an environmental impact statement is not needed.

The EA is available for public review and can be found online or obtained from the permit drafter, Paul Luebke. Public comments on the proposed permit will be accepted from Feb. 20, 2009, through March 23, 2009 and should be sent to Mr. Luebke. He can be reached by phone at (608) 266-0234, by email at Paul.Luebke@wisconsin.gov, or by mail at P.O. Box 7921, Madison, WI.

The hearing on the general permit is set for 10 a.m., March 23 at the DNR Southeast Regional Headquarters Room 140, 2300 N. Dr. Martin Luther King Dr., Milwaukee

Permit Fact Sheet

General Information

Permit Number:	WI-0063835-01-0 General Permit
Activity:	Ballast Water Discharge
Permittee:	U.S. and international commercial vessels
Discharge Location:	Ports of call or in transit on commercial shipping routes.
Receiving Water:	Lake Michigan, Lake Superior, and other locations with commercial shipping traffic.

General Description of Activities Covered Under This GP

General permits (GP) are designed to cover discharges from a category of activities that are similar in character. When a GP is issued, many dischargers meeting its requirements may be covered under the same GP. The Department has several categories of GPs covering hundreds of facilities. For activities eligible for coverage under a general permit, the Department sends a cover letter and a copy of the permit to the facility. The cover letter includes the Department's determination that a discharge is covered under the GP. A facility may need to be covered under more than one GP, depending on the different types of waste streams that a facility discharges. However, a facility that requires an individual permit for any part of its discharge may have all of its discharges covered under one individual permit.

Growing concerns and damage to the environment caused by aquatic invasive species (AIS) has raised the awareness on the need to regulate ballast water from vessels, which are the major vector for AIS introduction into the Great Lakes. However, the discharges incidental to the normal operation of a vessel, including ballast water, have been exempt from regulation under the Clean Water Act since 1973. In 2005 the U.S. District Court for the Northern District of California determined the exemption by EPA exceeded its authority. In accordance with the court ordered time frame EPA prepared a NPDES general permit to regulate ballast water and 25 other discharges from commercial vessels, which became effective December 19, 2008. The vacatur of the exemption became effective February 6, 2009. For more information on the history regulating ballast water and other discharges incidental to the normal operation of a vessel, refer to the EPA Vessel General Permit (VGP) and accompanying fact sheet available at the EPA web site: http://www.epa.gov/owow/invasive_species/ballast_water.html

The discharge of ballast water is a new category of dischargers that EPA will now regulate under a National Pollutant Discharge Elimination System (NPDES) general permit. Effluent limit guidelines, a document with an in depth evaluation of how to regulate a category of dischargers, could not be prepared for vessels in the time allowed by the court. Consequently, the EPA general permit primarily relies on established best management practices, and doesn't include treatment requirements or numerical water quality based effluent limits. EPA's VGP requires oceangoing vessels to perform salt water exchange or flushing of the ballast water tanks as is currently required under U.S. Coast Guard regulations. These existing practices haven't stopped the introduction of AIS. The Department is proposing this general permit because the requirements in the EPA VGP aren't stringent enough to protect Wisconsin's water quality.

Rational for Permit Requirements

1 Applicability

Those vessels issued the EPA VGP that have a ballast tank capacity of at least 2114 gallons (8 cubic meters) and are at least 164 feet in length (50 meters), must receive coverage under this permit to discharge ballast water in the waters of Wisconsin. The two criteria are consistent with the IMO and Minnesota criteria for their State Disposal System permit. This permit will supplement the EPA VGP by requiring ballast water treatment to reduce the risk of introducing AIS. A vessel between 79 feet and 164 feet would need only the EPA VGP and not the Wisconsin permit.

The permit recognizes five criteria that would qualify a vessel for an exemption for coverage. A permit does not need to be obtained if: (a) a vessel does not discharge ballast into waters of the state, (b) the vessel's movement is restrained to only one Captain of the Port Zone as defined by the U.S Coast Guard, (c) the vessel's ballast water is removed and treated by others, (d) vessels with flow-through ballast that is constantly being exchanged, and (e) vessels of the U.S. Armed Forces that are subject to their own regulation.

2 Permit Coverage

Applicable vessels receive automatic coverage under this permit until September 19, 2009, which is the same as allowed under the EPA VGP. EPA allowed vessels up to 9 months after the December 19, 2008 effective date of the permit to submit a Notice of Intent (NOI) requesting coverage. In order to avoid any unnecessary duplication, a copy of the same NOI sent to EPA requesting coverage will be used to request the Wisconsin Ballast Water Discharge General Permit. The Department will grant coverage under the permit after the NOI is reviewed.

Coverage under this permit is terminated coincidentally with the VGP upon the submittal of a Notice of Termination by a vessel. As with the NOI process, the Department will make use of the EPA termination of coverage process to avoid unnecessary duplication.

3 Prohibited Discharges

Permitted vessels are prohibited from discharging certain types of substances. Any solid material that is strained out of the water intake system or seachest, other than fine material that is entrained in the water and backwash, must be collected and properly disposed of. Any accumulated solids, sediment, or biological material in the ballast tanks, or generated by a treatment system, may not be discharged back into waters of the state; but, must be properly disposed of and documented. Seawater in other than residual amounts may not be discharged unless the effluent complies with the chloride effluent limit.

Of particular concern as both a source of AIS and as an illegal discharge under §30.12, Wis. Stats. (deposition of material on the bed of navigable waters), is the discharge of sediment from ballast tanks. The re-suspension of sediment when washing ballast tanks and then discharging the sediment laden wash water into surface water while in transit, is a common practice. The permits will prohibit this, with a compliance schedule to discontinue the discharge of sediment by 2012. The permit also requires the documentation of when ballast tanks are cleaned and where solids are disposed of.

4 Ballast Water Requirements

4.1 Ballast Water Treatment Requirements

A table in the permit identifies requirements for discharge standards and biocides, and indicates the vessels it's applicable to and the effective date of the requirement. By 2012, existing oceangoing vessels must comply with enhanced IMO discharge standards for how many viable AIS may be contained in ballast water discharges. New ocean going vessels constructed on or after January 1, 2013, must comply with even more restrictive extra enhanced IMO standards. The reason for holding new vessels to the highest standard is that newly constructed vessels should implement the best available technology, and can do so more easily than retrofitting existing vessels.

To address potential problems because of the lack of technology or engineering constraints on existing oceangoing vessels, a change in the discharge standard is possible. If the permittee provides justification as described in Subsection 4.1.1, a change from the enhanced IMO standard to the IMO would be granted by the Department. Similarly, for new oceangoing vessels, a time extension to the effective date is allowed if the permittee provides justification as describe in Subsection 4.1.2; but there is no provision to relax the extra enhanced IMO standards. The Department will notify permittees on whether the discharge standard is changed to IMO or a time extension is granted.

4.2 Monitoring Requirements and Effluent Limits

4.2.1 Discharge Standards

For oceangoing vessels, enhanced or more restrictive discharge standards are included in the permit to be more protective than the proposed IMO standards. This is consistent with the proposal by the U.S. representatives at the IMO convention

made on January 5, 2004, and the proposed standards in U.S. Congressional legislation H.R. 2830 Coast Guard Authorization Bill of 2008. Because of a lack of scientific information on ballast water treatment, a conservative approach is appropriate, and a challenging standard is necessary to encourage development of treatment technologies.

The argument for more restrictive standards is that the current IMO proposal really doesn't result in a significant reduction in the risk for introducing AIS as discussed below.

For macro-zooplankton and nekton (organisms >50 μm) the proposed IMO standard is <10 viable organisms per cubic meter, which is only 10 times less than the 100 per cubic meter background concentration of organisms typically observed in ballast water. The management practice of ballast water exchange or flushing is capable of achieving this same reduction. The proposed permit limit of <1 per 10 cubic meters represents a 1000 times reduction over background.

For protists and phytoplankton (organisms 10-50 μm) the proposed IMO standard is <10 per ml, which is equivalent to background concentration of organisms typically observed in ballast water, so the standard represents no improvement. The proposed permit limit of <1 per 10 ml represents a 100 times reduction over background.

For microbial organisms *E. Coli* and Enterococci the proposed IMO standards are less protective than those to protect human health. The proposed permit limits reflect standards for water used for bathing. One of indicator microbes for the discharge standards that is included in the proposed IMO standards, *Vibrio cholera*, has been excluded from the monitoring requirements in Table A and Table B because the analytical technique has not been validated by EPA.

Lakers are not subject to ballast water discharge standards in this permit. The Department may impose discharge standards on lakers in the next reissuance of the general permit. What the standards will be are still under consideration. Oceangoing vessels are responsible for introducing AIS into the Great Lakes. Laker vessels, with their large ballast water capacities, have the potential to spread AIS from port to port in the Great Lakes. The immediate concern addressed by this permit is preventing the introduction of any new AIS by oceangoing vessels.

4.2.2 Biocide effluent limits

This section of the permit is applicable to both oceangoing vessels and laker vessels that choose to use biocide treatments on some or all their ballast water to test or implement treatment now, prior to the effective date of the discharge standards. Existing water quality based effluent limits for chlorine would apply to a vessel discharge, as it would to other discharges of this common disinfectant. An acute limit 38 $\mu\text{g/L}$, calculated in accordance with ch. NR 106, Wis. Adm. Code, applies when chlorine or another halogen is used as a biocide. A chronic limit is unnecessary for the short term and intermittent discharges of ballast water. The limit is more stringent than the 100 $\mu\text{g/L}$ limit contained in the EPA VGP. If other biocides or water treatment additives are used to treat AIS, the Department will determine the use restriction (serves as a surrogate effluent limit) according to Subsection 4.2.2.2.

4.3 Ballast Water and Sediment Management Plan

Vessels should have an existing Ballast Water and Sediment Management plan, to comply with U.S. Coast Guard requirements and the EPA VGP. The plan must be updated to reflect any changes in response to the requirements in this permit. The Department doesn't intend to review these plans, but reserves the right to inspect them, if necessary.

4.4 Monitoring Plan

Because of unknowns and to allow flexibility, the ballast water discharge monitoring must be established by each vessel for what monitoring would be useful for the operation of the treatment system, and for determining compliance with discharge standards. The permit does contain some minimum monitoring requirements. The permittee must prepare a monitoring plan within 12 months after permit coverage. The plan must be revised as necessary when ever appropriate. The Department doesn't intend to review these plans, but reserves the right to inspect them, if necessary.

4.5 Ballast Water Treatment System Approval

Plans and specifications for ballast water treatment system are not required to be submitted to the Department for review. This would duplicate technical reviews and approval of treatment systems performed by the IMO, EPA, the Great Ships Initiative or other similar authorities who have the technical expertise. There is no need for individual approval of treatment systems by the

Department. Wisconsin has a requirement for plan approval of wastewater treatment system (ch. NR 108, Wis. Adm. Code), and a ballast water treatment system would be a reviewable project. To address plan approval, a provision is included in the permit that allows for the automatic approval of a ballast water treatment system if certain criteria are met. A brief engineering report summary must be submitted to inform the Department about the vessel's ballast water treatment system.

4.6 Safety Exemption

In recognition that vessels may be subject to adverse conditions on the water, an exemption is provided to automatically allow the curtailment of permit requirements. The exemption provision is consistent with the EPA VGP.

4.7 Record Keeping and Reporting

Record keeping consist of two components: (1) an on board log book to document activities associated with discharging ballast water that must be kept and made available to the Department upon request, and (2) an annual discharge monitoring report (DMR). Information on the disposal of sediment cleaned from the vessel is also to be reported with the annual DMR in accordance with Subsection 3.2.

5 Compliance Schedules

The permit contains six tables with dates for compliance with permit requirements.

5.1 Permit Coverage

To obtain coverage under WPDES general permit WI-0063835-01, permittees are directed to submit a copy of the Notice of Intent (NOI) form for the EPA Vessel General Permit. The dates for required actions are consistent with the EPA VGP.

5.2 Monitoring Requirements and Effluent Limitations

The effective dates for the applicable discharge standards in Subsection 4.2 are set to prevent the introduction of AIS into the Great Lakes in an expeditious time frame. For existing oceangoing vessels, the January 1, 2012 effective date is significantly more aggressive than the IMO schedule of 2016.

The biocide effluent limits in Subsection 4.2.2 are effective immediately. The Department has the authority in ch. NR 106, Wis. Adm. Code for calculating water quality based effluent limits or use restrictions for biocides. If a vessel uses a biocide at any time they are subject to limitations the same as any other surface water discharger. This limit is independent of the effective dates for the discharge standards in Subsection 4.2.1.

5.3 Treatment Requirement Exceptions

The provision for changing the applicable discharge standard from the enhanced to the IMO standard in Subsection 4.1.1 will address the legitimate issue of whether emerging ballast water treatment technologies are commercially available for existing vessels. If the justification described in Subsection 4.1.1 is provided, the Department will evaluate granting a change in the discharge standard. To request a change, justification must be submitted no later than 9 months before the effective date, which is shown in the compliance schedule table.

The provision for time extension in Subsection 4.1.2 will address the legitimate issue of whether emerging ballast water treatment technologies are commercially available in the time allowed for new vessels. If the justification described in Subsection 4.1.2 is provided, the Department will evaluate granting a time extension. To request a time extension justification must be submitted no later than 18 months before the effective date, which is shown in the compliance schedule table.

5.4 Treatment System Plan Approval

The permit allows for an automatic approval of plans and specifications for ballast water treatment systems. However, there is a required engineering report summary that the permittee must submit for the vessel to document the ballast water treatment system with the Department. The report should be submitted prior to installation. The Department is relying upon other authorities who are conducting evaluations and validations of ballast water treatment system, such as the IMO, U.S. Coast Guard, EPA, and the Great Ships Initiative.

5.5 Monitoring Plan

The permittee must submit a monitoring plan within 12 months after permit coverage. Each vessel is responsible for determining its own monitoring needs. Any significant changes made to the monitoring plan should be submitted to the Department. An approval by the Department is not required, but comments on the plan may be provided.

5.6 Prohibited Discharges

Because the washing of ballast tanks to clean out accumulated sediment is a common maintenance practice that may potentially require modifications to the vessel to eliminate, a delay of the prohibition until 2012 is included. This compliance date should allow vessels the time necessary to find alternative practices or make vessel modifications to comply with the prohibition on discharging sediment.

Other Comments:

An antidegradation review for the issuance of this new general permit has not been performed because it's not applicable in this situation for existing dischargers that have not previously been permitted. The Department is in agreement with the EPA fact sheet for the VGP that says vessels covered should not be considered a new or increased point source discharge, which is what typically triggers an antidegradation review. And because vessels are a mobile source of pollutants it's not feasible to evaluate them since the antidegradation evaluation is site specific.

Attachments:

NR 150 Environmental Assessment

Proposed Expiration Date:

March 31, 2014

Prepared by:

Wisconsin Department of Natural Resources
Bureau of Watershed Management

Date: February 19, 2009

Filename: GP_ballast_FS.doc
Directory: T:\org\water\wm\WW\DRAFTS
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Data\Microsoft\Templates\Normal.dot
Title: Microsoft Word - 65259.doc
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Author: Lisa Helmuth
Keywords:
Comments:
Creation Date: 02/19/2009 5:24:00 PM
Change Number: 2
Last Saved On: 02/20/2009 10:32:00 AM
Last Saved By: Lisa Helmuth
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Last Printed On: 02/20/2009 10:32:00 AM
As of Last Complete Printing
Number of Pages: 5
Number of Words: 2,769 (approx.)
Number of Characters: 15,787 (approx.)



Date: August 26, 2009
To: Lloyd Clark, Rep. Molepske's Office
From: Todd Ambs, Water Division Administrator, WDNR
Subject: Analysis of Assembly Bill 360 Regarding Ballast Water

1. Effect on Existing State Law

This bill amends chapter 283, Wisconsin Statutes, which is the pollution discharge elimination statute. It provides for ballast water management in this chapter and provides for fees. This bill requires all vessels that have ballast water may not discharge into waters of the state without a permit. This bill creates a separate permitting statute for ballast water, s. 283.34. Consequently, some of the provisions in s. 283.31 will not apply (e.g., subsections 2, 3, and 4 (a)). This should be corrected.

This bill describes four treatments that would be required or another techniques approved by the department. The department does not have the ability to "approve treatment technology". We also do not want to prescribe the type of treatment, but instead would like a treatment standard that would effectively kill or remove aquatic invasive species or other organisms prior to discharge.

The definition of aquatic nuisance species is somewhat awkward. It could be revised to say aquatic nuisance species means a "nonindigenous species that threatens the diversity or abundance of native species or the ecological stability of waters of the state or that threatens a commercial...or recreational activity dependent on waters of the state".

2. Policy Concerns

The key policy concern revolves around the requirement to meet specific treatment techniques listed. As part of the DNR's draft permit, the department has determined that a biological discharge standard is required and the vessels can use the technology of choice to reach that standard. Section 283.34(3)(a) lists four treatments, thereby limiting what possible treatments that are available, or new emerging treatments.

The department does not want to approve "treatment techniques" of ballast water. We do not have the expertise to do this. It is critically important that this language be removed from the bill and instead provide for other respected authorities to "verify" the treatment technologies or systems. Our draft permit lists the IMO, U.S. EPA Environmental Technology Verification Program, U.S. Coast Guard, or equivalent technology verification process acceptable to the Department.

The Department would like to establish performance standards based on best professional judgment rather than mandating the one specific technology be selected.

There does not appear to be reporting or recordkeeping provisions, so something will need to be added to s. 283.55.

283.34(2)(b) appears to be referring to vessels with no ballast on board or NOBOBs. This is an understood expression and should be used instead of the awkward wording used in this bill.

283.34(5)(a)2. says the rule shall include the "circumstances" under which a permitted vessel... "may take on ballast water". Not sure what this is referring to, it needs clarification. This could be referring to ballast water management practices where areas that are known to have AIS must be avoided when taking on ballast.

There should be a provision in which the state ballast water program is suspended, in the event that federal regulation of ballast water through the US EPA or US Coast Guard contains a ballast water treatment standard applicable nationwide. Under such a condition, to be consistent with our statements that we seek a uniform nationwide standard instead of a patch-work of state standards, the Wisconsin ballast water permit program would be suspended.

3. Administrative Rules Unnecessary

AB 360 requires rules to be written that will be unnecessary once our state permit is issued this fall. AB 360 also mandates the department to conduct a program to inspect vessels; it doesn't provide the option of having the EPA or the Coast Guard or others do inspections. We have discussed having a shared responsibility with Minnesota to inspect the Port of Duluth/Superior.

We estimate that 190 vessels will need to be permitted the first year. We would issue a general permit to these vessels. The deadline for the vessels to obtain a permit is seven months after passage of the statute. This is not realistic as a request for contested case hearing or other delays could prevent the issuance of permit.

There should be a distinction on compliance schedules between the Intra lake vessels (Lakers) or the ocean-going vessels (Salties) to meet permit conditions. Our permit requires ocean going vessels to meet standards by 2012 and Lakers will be addressed in the next permit period beginning in 2014. It also appears not to cover vessels that take in water from one Wisconsin port and discharge it at another Wisconsin Port.

4. No need for additional fees

The Budget Bill authorized the Department to collect \$1250 application fee and \$345 annual fee for each vessel entering Wisconsin waters with the potential to discharge ballast water; it also authorized 3 FTE. We

anticipate that state operations cost to implement this permit program will be \$235,000 per year. We expect to have two field inspectors, one located in Milwaukee and one located in Superior, and one permit coordinator in the central office. We don't need additional fees or the statutory language contained in this bill.



MURPHY
OIL USA, INC

SUPERIOR REFINERY
2407 STINSON AVENUE
SUPERIOR WISCONSIN 54880

August 31, 2009

Representative Spencer Black, Chair
Committee on Natural Resources
Wisconsin Assembly
Room 210 N. State Capitol
P.O. Box 8952
Madison, WI 53708

RE: Assembly Bill 360

Dear Chairman Black:

I support effective ballast water regulations at the federal level. I am pleased to see that the United States Coast Guard has finally published a proposed, comprehensive ballast water regulatory program. However, I strongly oppose AB 360 as written.

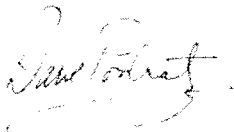
By implementing a permit that is at odds with the USCG and a majority of Great Lakes states, Wisconsin will be creating a confusing environment within the Great Lakes for shippers and vessel operators. Vessels that would normally visit Wisconsin ports will simply move to ports in other states where ballast water regulations are deemed more reasonable. In the case of Superior, vessels will merely call on the other side of the port in Duluth! Much economic damage will result for Wisconsin workers with little if any environmental benefit.

My company provides much of the fuel for the Great Lakes fleet and international ships visiting the port of Superior-Duluth. We have over 150 employees here who rely in part on a healthy shipping industry in Wisconsin.

A Federal solution and / or consistent regulations among the Great Lakes states is the best approach for dealing with invasives. Now is not the time for Wisconsin to pass this legislation that will result in the loss of jobs and tax revenue and put us at a disadvantage relative to our neighbors.

Thank you for your consideration.

Sincerely,



David J. Podratz
Refinery Manager

MURPHY
USA★



I.L.A.

Industrial, Bulk Cargo & Dock Workers

Union Local No. 1000

SUPERIOR, WISCONSIN - DULUTH, MINNESOTA

ASHLAND, WISCONSIN



August 31, 2009

Representative Spencer Black, Chair
Committee on Natural Resources
Wisconsin Assembly
Room 210 N. State Capitol
P.O. Box 8952
Madison, Wisconsin 53708

RE: Assembly Bill 360

Dear Chairman Black:

We need your help in protecting our jobs at the Midwest Energy Resources Company Terminal in Superior, Wisconsin that are being threatened by passage of AB360. AB360 is bad legislation, that is bad for maritime industry, and bad for labor and jobs – especially jobs in Superior, Wisconsin. Simply put, if AB360 is signed into law, Wisconsin's Great Lakes maritime commerce will cease to exist 7 months after AB360's effective date. If we can't load boats, there is no need for the 62 longshoremen who work at the Midwest Energy Resources Company Terminal.

AB360 requires that vessels that ply Wisconsin waters obtain a permit to discharge ballast water within 7 months of the effective date of AB360. In order to obtain a permit, the vessels must have on board one of a handful of prescribed technologies. This requirement is unachievable given the nature of the shipping industry, United States Coast Guard Regulations and vessel dry-dock scheduling.

Although I.L.A. Local 1000 opposes AB360, we are in support of a reasonable, achievable and effective vessel permitting for ballast water discharges – permitting that does not put Wisconsin ports, industries and workers at a competitive disadvantage.

I.L.A. Great Lakes' unions have also advocated for federal ballast water regulations that would cover all ports (both tidal and Great Lakes) in all states. We are pleased to see that the United States Coast Guard has finally published a proposed, comprehensive ballast water regulatory program. We feel it is imperative that any state permitting process work closely with the process the USCG is undertaking. Unfortunately, AB360 does not.

Page Two
Representative Black
AB360

Our members need their jobs and so does Wisconsin! Equally important, power plants in the U.S. and Canada need the coal we load. The American economy faces enough challenges. During a time of national recession, the last thing Wisconsin need do is pass legislation that will result in the loss of jobs, especially I.L.A. jobs!

Sincerely,



Kim Hooey
President
I.L.A. Local 1000

KH/cb

cc: John Baker
Dick Gambel
F. Shusterich



Northern Wisconsin Building and Construction Trades

August 31, 2009

Representative Spencer Black, Chair
Committee on Natural Resources
Wisconsin Assembly
Room 210 N. State Capitol
P.O. Box 8952
Madison, WI 53708

RE: Assembly Bill 360

Dear Chairman Black:

My name is Norm Voorhees, I am the president of the Northern Wisconsin Building and Construction Trades Council, which consists of 15 affiliated craft unions representing approximately 660 men and women in the construction industry here in the counties of Ashland, Bayfield, Burnett, Douglas, Iron, Sawyer and Washburn.

I am writing to express the building trades concerns to AB 360 and the negative economic impact that could result if passed in its current form. It is our understanding that if AB 360 is signed into law, Wisconsin's Great Lakes maritime commerce could cease to exist 7 months after AB 360's effective date. This will result in the loss of business for Wisconsin industries, the loss of jobs for Wisconsin workers and the loss of tax revenue for the state and local communities.

AB 360 requires that vessels that ply Wisconsin waters obtain a permit to discharge ballast water within 7 months of the effective date of AB360. In order to obtain a permit, the vessels must have on board one of a handful of prescribed technologies. This requirement is unachievable given the nature of the shipping industry, United States Coast Guard Regulations and dry-dock scheduling.

Although we oppose AB 360, we are in support of a reasonable, achievable and effective vessel permitting for ballast water discharge permitting that does not put Wisconsin ports, industries and workers at a competitive disadvantage. Last March, we participated in the public comment process of the proposed Wisconsin DNR WPDES General Permit for Vessels; we anxiously await DNR's issuance of final permit language.

We have also advocated for federal ballast water regulations that would cover all ports (both tidal and Great Lakes) in all states. We are pleased to see that the United States Coast Guard has finally published a proposed, comprehensive ballast water regulatory

program. We feel it is imperative that any state permitting process work in close concert with the process the USCG is undertaking. Unfortunately, AB 360 does not.

By implementing a permit that is at odds with the USCG and a majority of Great Lakes states, Wisconsin will be creating a confusing environment within the Great Lakes for international shippers and vessel operators. Vessels that would normally visit Wisconsin ports will simply move to ports in other states where ballast water regulations are deemed more reasonable. Much economic damage will result for Wisconsin with little if any environmental benefit. As stated previously, AB 360, given its unattainable timeline, will cause shipping to cease 7 months after its effective date.

Aquatic invasive species are a serious issue. However, it is unproductive for Wisconsin to impose a permitting process that is inconsistent with the USCG and a majority of other Great Lakes states and will put Wisconsin ports at a competitive disadvantage in attracting international trade; and will cause economic harm to working men and women in Wisconsin. During a time of national recession the last thing Wisconsin should do is pass legislation that will result in the loss of jobs and tax revenue.

Thank you for your consideration.

Sincerely,



Norm Voorhees

President

Northern Wisconsin Building and Construction Trades Council



Bakery, Confectionery, Tobacco Workers And Grain Millers Union

BCTGM LOCAL 167G
100 N. 3rd Street, Suite 50
Grand Forks, ND 58203

Phone (701)746-6133
Fax (701)746-6133
bctgm167g@qwestoffice.net

August 31st, 2009

Representative Spencer Black, Chair
Committee on Natural Resources
Wisconsin Assembly
Room 210 N. State Capitol
P.O. Box 8952
Madison, WI. 53708

RE: Assembly Bill 360

Dear Chairman Black:

I am the Vice President of Unit 118 of Local 167G of the Bakery, Confectionery, Tobacco and Grain Millers Union. My unit represents a total of 130 workers employed at the Gaviola, CHS and General Mills Grain Elevators in Duluth, Minnesota and Superior, Wisconsin.

I am writing to express my opposition to AB 360. AB 360 is bad legislation, which is bad for the maritime industry, bad for Wisconsin port communities and bad for Wisconsin industries and jobs. Simply put, if AB 360 is signed into law, Wisconsin Great Lakes maritime commerce will cease to exist 7 months after AB 360's effective date. This will result in the loss of business for Wisconsin industries, the loss of jobs for Wisconsin workers, and the loss of tax revenue for the state and local communities.

AB 360 requires that vessels that ply Wisconsin waters obtain a permit to discharge ballast water within 7 months of the effective date of AB 360. In order to obtain a permit, vessels must have on board one of a handful of prescribed technologies. This requirement is unachievable given the nature of the shipping industry, United States Coast Guard and Dry-dock scheduling.

Although we oppose AB 360, we are in support of a reasonable, achievable and effective vessel permitting for ballast water discharges- permitting that does not put Wisconsin ports industries, and workers at a competitive disadvantage. Last March, we participated in the public comment process of the proposed Wisconsin DNR WPDES General Permit for Vessels; we anxiously await DNR's issuance of final permit language.

August 31, 2009

Page 2

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By implementing a permit that is at odds with the USCG and a majority of Great Lakes states, Wisconsin will be creating a confusing environment within the Great Lakes for international shippers and vessel operators. Vessels that would normally visit Wisconsin Ports will simply move to ports in other states where ballast water regulations are deemed more reasonable. Much economic damage will result for Wisconsin with little if any environmental benefit. As stated previously, AB 360, given its unattainable time line, will cause shipping to cease 7 months after its effective date.

Aquatic invasive species are a serious issue. However, it is unproductive for Wisconsin to impose a permitting process that is: inconsistent with the USCG and a majority of other Great Lakes states; will put Wisconsin ports at a competitive disadvantage in attracting international trade; and will cause economic harm to working men and women in Wisconsin. During a time of national recession, the last thing Wisconsin should do is pass legislation that will result in the loss jobs and tax revenue.

Thank you for your consideration.

Sincerely,

Shane Sweeney
Vice President Unit 118



Affiliated AFL-CIO

HOD CARRIERS BUILDING AND GENERAL LABORERS LOCAL NO. 1091

DULUTH LABOR CENTER
2002 London Road ■ Duluth, Minnesota 55812
Phone 218-728-5151 ■ Fax 218-728-2431



DANIEL OLSON
Business Manager
Financial Secretary and Treasurer

LARRY ANDERSON
President

August 31, 2009

Representative Spencer Black, Chair
Committee on Natural Resources
Wisconsin Assembly
Room 210 N. State Capitol
P.O. Box 8952
Madison, WI 53708

RE: Assembly Bill 360

Dear Chairman Black:

My name is Dan Olson. I am the Business Manager for Building & General Laborers' Local Union No. 1091, which represents approximately 200 workers in Ashland, Bayfield, and Douglas counties.

I am writing to express my union's opposition to AB 360. AB 360 is bad legislation, which is bad for the maritime industry, bad for Wisconsin port communities and bad for Wisconsin industries and jobs. Simply put, if AB 360 is signed into law, Wisconsin's Great Lakes maritime commerce will cease to exist 7 months after AB 360's effective date. This will result in the loss of business for Wisconsin industries, the loss of jobs for Wisconsin workers and the loss of tax revenue for the state and local communities.

AB 360 requires that vessels that ply Wisconsin waters obtain a permit to discharge ballast water within 7 month of the effective date of AB360. In order to obtain a permit, the vessels must have on board one of a handful of prescribed technologies. This requirement is unachievable given the nature of the shipping industry, United States Coast Guard Regulations and dry-dock scheduling.

Although we oppose AB 360, we are in support of a reasonable, achievable and effective vessel permitting for ballast water discharges- permitting that does not put Wisconsin ports, industries and workers at a competitive disadvantage. Last March, we participated in the public comment process of the proposed Wisconsin DNR WPDES General Permit for Vessels; we anxiously await DNR's issuance of final permit language.

We have also advocated for federal ballast water regulations that would cover all ports (both tidal and Great Lakes) in all states. We are pleased to see that the United States Coast Guard has finally published a proposed, comprehensive ballast water regulatory program. We feel it is imperative that any state permitting process work in close concert with the process the USCG is undertaking. Unfortunately, AB 360 does not.

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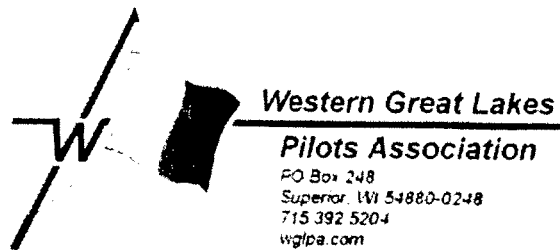
Thank you for your consideration.

Sincerely,



Daniel D. Olson
Business Manager
**BUILDING & GENERAL LABORERS'
LOCAL UNION NO. 1091**

DDO:wsm



August 31, 2009

Representative Spencer Black, Chair
Committee on Natural Resources
Wisconsin Assembly
Room 210 N. State Capitol
P.O. Box 8952
Madison, WI 53708

RE: Assembly Bill 360

Dear Chairman Black:

My Name is Captain Donald Willecke and I'm the president of Western Great Lakes Pilots Association. Our Association provides pilots on all foreign vessels that ply Lakes Huron, Michigan, and Superior. We direct the navigation of these vessels and are aboard to protect the safety of the vessel as well as the public interest.

I am writing to express my Association's opposition to AB 360. AB 360 is bad legislation, which is bad for the maritime industry, bad for Wisconsin port communities and bad for Wisconsin industries and jobs. Simply put, if AB 360 is signed into law, Wisconsin's Great Lakes maritime commerce will cease to exist 7 months after AB 360's effective date. This will result in the loss of business for Wisconsin industries, the loss of jobs for Wisconsin workers and the loss of tax revenue for the state and local communities. It will mean a reduction of approximately 50% of our revenue, and simply push the ships to other states or (more likely) Canada.

AB 360 requires that vessels that ply Wisconsin waters obtain a permit to discharge ballast water within 7 month of the effective date of AB360. In order to obtain a permit, the vessels must have on board one of a handful of prescribed technologies. This requirement is unachievable given the nature of the shipping industry, United States Coast Guard Regulations and dry-dock scheduling.

Although we oppose AB 360, we are in support of a reasonable, achievable and effective vessel permitting for ballast water discharges- permitting that does not put Wisconsin ports, industries and workers at a competitive disadvantage. Last March, we participated in the public comment process of the proposed Wisconsin DNR WPDES General Permit for Vessels; we anxiously await DNR's issuance of final permit language.

We have also advocated for federal ballast water regulations that would cover all ports (both tidal and Great Lakes) in all states. We are pleased to see that the United States

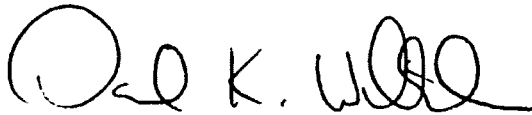
Coast Guard has finally published a proposed, comprehensive ballast water regulatory program. We feel it is imperative that any state permitting process work in close concert with the process the USCG is undertaking. Unfortunately, AB 360 does not.

By implementing a permit that is at odds with the USCG and a majority of Great Lakes states, Wisconsin will be creating a confusing environment within the Great Lakes for international shippers and vessel operators. Vessels that would normally visit Wisconsin ports will simply move to ports in other states, and more likely – Canada where ballast water regulations are deemed more reasonable. Much economic damage will result for Wisconsin with little if any environmental benefit. As stated previously, AB 360, given its unattainable timeline, will cause shipping to cease 7 months after its effective date.

Aquatic invasive species are a serious issue. However, it is unproductive for Wisconsin to impose a permitting process that is: inconsistent with the USCG and a majority of other Great Lakes states; will put Wisconsin ports at a competitive disadvantage in attracting international trade; and will cause economic harm to working men and women in Wisconsin. During a time of national recession the last thing Wisconsin should do is pass legislation that will result in the loss of jobs and tax revenue.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "D. K. Willecke". The signature is written in a cursive, somewhat stylized font.

Captain Donald K. Willecke
President





Hallett
Dock Company

*World Gateway for Transloading
& Storage of Bulk Commodities*

P.O. Box 16447 · Duluth, Minnesota 55816-0447
Phone 218-628-2281 · Fax 218-628-2284 · 1-800-637-4497

August 31, 2009

Representative Spencer Black, Chair
Committee on Natural Resources
Wisconsin Assembly
Room 210 N. State Capitol
P.O. Box 8952
Madison, WI 53708

RE: Assembly Bill 360

Dear Chairman Black:

My name is Mike McCoshen and I am the President & COO of Hallett Dock Company. We have waterfront facilities located in Superior, WI and Duluth, MN. Prior to joining Hallett in May of 2000, I was the Terminal Manager of the BNSF Railway's taconite transshipment facility in Superior, WI. I began my career at the BNSF facility in 1976, giving me 33 years of waterfront experience in the Port of Superior.

I am writing to express Hallett Dock Company's opposition to AB 360. AB 360 is just bad legislation, which is bad for the maritime industry, bad for Wisconsin port communities and bad for Wisconsin industries and jobs. Simply put, if AB 360 is signed into law, Wisconsin's Great Lakes maritime commerce will cease to exist 7 months after AB 360's effective date. This will result in the loss of business for Wisconsin industries, the loss of jobs for Wisconsin workers and the loss of tax revenue for the state and local communities.

AB 360 requires that vessels that ply Wisconsin waters obtain a permit to discharge ballast water within 7 month of the effective date of AB360. In order to obtain a permit, the vessels must have on board one of a handful of prescribed technologies. This requirement is unachievable given the nature of the shipping industry, United States Coast Guard Regulations and dry-dock scheduling.

Although we oppose AB 360, we are in support of a reasonable, achievable and effective vessel permitting for ballast water discharges- permitting that does not put Wisconsin ports, industries and workers at a competitive disadvantage. Last March, we participated in the public comment process of the proposed Wisconsin DNR WPDES General Permit for Vessels; we anxiously await DNR's issuance of final permit language.

We have also advocated for federal ballast water regulations that would cover all ports (both tidal and Great Lakes) in all states. We are pleased to see that the United States Coast Guard has finally published a proposed, comprehensive ballast water regulatory program. We feel it is imperative that any state permitting process work in close concert with the process the USCG is undertaking. Unfortunately, AB 360 does not.

By implementing a permit that is at odds with the USCG and a majority of Great Lakes states, Wisconsin will be creating a confusing environment within the Great Lakes for international shippers and vessel operators. Vessels that would normally visit Wisconsin ports will simply move to ports in other states where ballast water regulations are deemed more reasonable. Much economic damage will result for Wisconsin with little if any environmental benefit. As stated previously, AB 360, given its unattainable timeline, will cause shipping to cease 7 months after its effective date.

Aquatic invasive species are a serious issue. However, it is unproductive for Wisconsin to impose a permitting process that is: inconsistent with the USCG and a majority of other Great Lakes states; will put Wisconsin ports at a competitive disadvantage in attracting international trade; and will cause economic harm to working men and women in Wisconsin. During a time of national recession the last thing Wisconsin should do is pass legislation that will result in the loss of jobs and tax revenue.

Thank you for your consideration.

Sincerely,



J. M. (Mike) McCoshen
President & COO



August 31, 2009



Representative Spencer Black, Chair
Committee on Natural Resources
Wisconsin Assembly
Room 210 N. State Capitol
P.O. Box 8952
Madison, WI 53708

RE: Assembly Bill 360

Dear Chairman Black:

I am the Plant Manager for Graymont (WI) LLC which operates a chemical lime manufacturing plant in Superior, Wisconsin, on Lake Superior Bay. We rely on Great Lakes shipping for our raw material shipments of limestone from Michigan and our coal from a Lake Erie Port. We receive 40 to 45 vessels a year at our dock. We are investing in a \$3.5M capital project to replace 760' of our dock wall this Fall 2009. We have 43 employees, represented by the United Steelworkers Union, and 10 salary employees working at our Superior plant.

I am writing to express my opposition to AB 360. AB 360 is bad legislation, which is bad for the maritime industry, bad for Wisconsin port communities and bad for Wisconsin industries and jobs. Simply put, if AB 360 is signed into law, Wisconsin's Great Lakes maritime commerce will cease to exist 7 months after AB 360's effective date. This will result in the loss of business for Wisconsin industries, the loss of jobs for Wisconsin workers and the loss of tax revenue for the state and local communities.

AB 360 requires that vessels that ply Wisconsin waters obtain a permit to discharge ballast water within 7 month of the effective date of AB360. In order to obtain a permit, the vessels must have on board one of a handful of prescribed technologies. This requirement is unachievable given the nature of the shipping industry, United States Coast Guard Regulations and dry-dock scheduling.

Although we oppose AB 360, we are in support of a reasonable, achievable and effective vessel permitting for ballast water discharges- permitting that does not put Wisconsin ports, industries and workers at a competitive disadvantage. Last March, we participated in the public comment process of the proposed Wisconsin DNR WPDES General Permit for Vessels; we anxiously await DNR's issuance of final permit language.

We have also advocated for federal ballast water regulations that would cover all ports (both tidal and Great Lakes) in all states. We are pleased to see that the United States Coast Guard has finally published a proposed, comprehensive ballast water regulatory program. We feel it is imperative that any state permitting process work in close concert with the process the USCG is undertaking. Unfortunately, AB 360 does not.

By implementing a permit that is at odds with the USCG and a majority of Great Lakes states, Wisconsin will be creating a confusing environment within the Great Lakes for international shippers and vessel operators. Vessels that would normally visit Wisconsin ports will simply move to ports in other states where ballast water regulations are deemed more reasonable. Much economic damage will result for Wisconsin with little if any environmental benefit. As stated previously, AB 360, given its unattainable timeline, will cause shipping to cease 7 months after its effective date.

Aquatic invasive species are a serious issue. However, it is unproductive for Wisconsin to impose a permitting process that is: inconsistent with the USCG and a majority of other Great Lakes states; will put Wisconsin ports at a competitive disadvantage in attracting international trade; and will cause economic harm to working men and women in Wisconsin. During a time of national recession the last thing Wisconsin should do is pass legislation that will result in the loss of jobs and tax revenue.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Phillip Marguin". The signature is written in black ink and is positioned above a horizontal line.

Plant Manager



Fred L. Shusterich
President

Superior Midwest Energy Terminal
P.O. Box 787, 2400 W. Winter Street, Superior, WI 54880
Tel: 715.392.9807 Fax: 715.392.9137
E-Mail: fshusterich@midwestenergy.com
Web Site: www.midwestenergy.com

August 31, 2009

**Midwest Energy
Resources**



Representative Spencer Black, Chair
Committee on Natural Resources
Wisconsin Assembly
Room 210 N. State Capitol
P.O. Box 8952
Madison, Wisconsin 53708

RE: Assembly Bill 360

Dear Chairman Black:

I am Fred Shusterich, President of Midwest Energy Resources Company in Superior, Wisconsin. We directly employ approximately 100 people on a full-time basis at our facility. Midwest Energy Resources Company, a subsidiary of the Detroit Edison Company, has long been and continues to be actively engaged through its Superior, Wisconsin Midwest Energy Terminal in the Great Lakes movements of U.S. Powder River Basin low sulfur western coals. At present we function primarily in the coordinated annual laker vessel movement of approximately 9 million tons of Montana and Wyoming low sulfur coals to Detroit Edison electrical generating stations located in southeastern Michigan. An additional 11-13 million tons of these same western coals are sold and transported by laker vessels annually through our Superior, Wisconsin facility to electrical generating stations and industrial users throughout the Great Lakes basin.

I am writing to express Midwest Energy Resources Company's opposition to AB360. AB360 is bad legislation, that is bad for maritime industry, bad for Wisconsin port communities – especially Superior, Wisconsin, and bad for Wisconsin industries and jobs. Simply put, if AB360 is signed into law, Wisconsin's Great Lakes maritime commerce will cease to exist 7 months after AB360's effective date. This will result in the loss of business for Wisconsin industries, the loss of jobs for Wisconsin workers, the loss of tax revenue for the state and local communities, and the destruction of existing efficient and cost-effective coal delivery mechanisms to our various Great Lakes utility and industrial customers. For the majority of these customers, laker vessel delivery is their only coal delivery mechanism. During a time of national recession, the last thing that Wisconsin need do is pass legislation that will place unrealistic pressures on its business and industry.

AB360 requires that vessels that ply Wisconsin waters obtain a permit to discharge ballast water within 7 months of the effective date of AB360. In order to obtain a permit, the vessels must have on board one of a handful of prescribed technologies. This requirement is unachievable

Page Two
Assembly Bill AB360

given the nature of the shipping industry, United States Coast Guard Regulations and vessel dry-dock scheduling.

Although we oppose AB360, we are in support of a reasonable, achievable and effective vessel permitting for ballast water discharges – permitting that does not put Wisconsin ports, industries and workers at a competitive disadvantage. Last March, we participated in the public comment process of the proposed Wisconsin DNR WPDES General Permit for Vessels; we anxiously await DNR's issuance of final permit language.

We have also advocated for federal ballast water regulations that would cover all ports (both tidal and Great Lakes) in all states. We are pleased to see that the United States Coast Guard has finally published a proposed, comprehensive ballast water regulatory program. We feel it is imperative that any state permitting process work in close concert with the process the USCG is undertaking. Unfortunately, AB360 does not.

By implementing a permit that is at odds with the USCG and a majority of Great Lakes states, Wisconsin will be creating a confusing environment within the Great Lakes for international shippers and vessel operators. Vessels that would normally visit Wisconsin ports will move to ports in other states where ballast water regulations are deemed more reasonable. Much economic damage will result for Wisconsin with little if any environmental benefit. As stated previously, AB360, given its unattainable timeline, will cause shipping in Wisconsin waters to cease 7 months after its effective date.

Aquatic invasive species are a serious issue. However, it is unproductive for Wisconsin to impose a permitting process that is: inconsistent with the USCG and a majority of other Great Lakes States; will put Wisconsin ports at a competitive disadvantage in both maintaining domestic trade and attracting international trade; and will cause economic harm to working men and women of Wisconsin. Again, during a time of national recession, the last thing Wisconsin need do is pass legislation that will result in loss of jobs and tax revenue by placing unrealistic pressures on business and industry.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred L. Shusterich", written in a cursive style with a long horizontal flourish extending to the right.

Fred L. Shusterich
President

FLS/cb





**AMERICAN
GREAT LAKES PORTS
ASSOCIATION**

August 31, 2009

Representative Spencer Black
Chairman
Committee on Natural Resources
Wisconsin Assembly
Room 210 N. State Capitol
P.O. Box 8952
Madison, WI 53708

RE: Assembly Bill 360

Dear Chairman Black:

The American Great Lakes Ports Association represents the public port authorities on the United States side of the Great Lakes, including the ports of Superior, Green Bay, and Milwaukee. Each of our member port agencies is a division of state or local government, or an independent agency created by state statute. As a group, and individually, Great Lakes port authorities work to foster maritime commerce in the region and economic development in their communities.

We are writing to share our opposition to Assembly Bill 360, legislation that seeks to regulate the ballast water discharges of commercial vessels at Wisconsin ports to minimize the introduction and spread of aquatic nuisance species. Our organization supports the regulation ships' ballast water to protect the Great Lakes marine environment. However, we believe such regulation needs to occur at the federal level, needs to include achievable technical goals, and needs to be implemented in a realistic timeline. Unfortunately, AB360 fails in each of these regards.

Of greatest concern is the fact that AB360 would place Wisconsin's ports and longshore labor at a competitive disadvantage relative to neighboring states. Minnesota has already adopted ballast water treatment regulations and those requirements do not take effect until 2016. The Minnesota timeline was based upon that state's analysis of the availability of ballast water treatment technology and the availability of shipyards to install such technology. Onerous and unreasonable requirements in the State of Wisconsin will drive maritime commerce to Minnesota and other nearby states. This will cause an atrophy of Wisconsin ports, port terminal companies and shore-side labor.

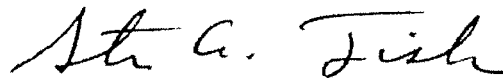
Wisconsin's ports benefit the state's manufacturers and agricultural interests. Chasing maritime commerce from Wisconsin docks will only further damage the state's frail economy.

We believe AB360 is unnecessary for two reasons. First, the Wisconsin Department of Natural Resources is already working on a WPDES permit for vessels. Many in the maritime industry and environmental community have been cooperating in that effort. Second, last Friday, the U.S. Coast Guard announced an aggressive new ballast water regulatory program. This program will require all vessels to install ballast water treatment equipment by 2014-2016 (based on vessel size). Wisconsin legislators have repeatedly called for federal leadership on this issue and such leadership has finally materialized. We urge the committee to review the Coast Guard plan. We are certain that you will find it to be much more comprehensive than AB360.

Aquatic invasive species are a serious issue. However, it is unproductive for Wisconsin to impose a permitting process that is: inconsistent with the USCG and a majority of other Great Lakes states; will put Wisconsin ports at a competitive disadvantage in attracting international trade; and will cause economic harm to working men and women in Wisconsin. During a time of national recession the last thing Wisconsin should do is pass legislation that will result in the loss of jobs and tax revenue.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Steven A. Fisher". The signature is written in a cursive, flowing style.

Steven A. Fisher
Executive Director





THE PORT OF MILWAUKEE

August 31, 2009

Ref: L&L/Ballast Water

The Honorable Spencer Black
State Representative
Assembly Natural Resources Committee
State Capitol
P. O. Box 8952
Madison, WI 53708

Dear Representative Black:

As you know, Milwaukee is deeply committed to protection of the Great Lakes, and in particular Lake Michigan. The City of Milwaukee and its Board of Harbor Commissioners has worked hard with the Department of Natural Resources and state legislature to pass the Great Lakes Water Resources Compact and have supported efforts to clean up tributaries to the Great Lakes, including our effort with the State of Wisconsin, Army Corps of Engineers, and U.S. Environmental Protection Agency to clean up contaminated sediment in the Kinnickinnic River.

Lake Michigan is the source of our drinking water, provides recreational benefits to our residents and economic benefits to the City and the State of Wisconsin. As a steward of this important natural resource, I understand the threat posed to Lake Michigan and the other great lakes by invasive species and the need to regulate discharge of ballast tanks from ocean-going vessels that visit the Great Lakes and our ports. Assembly Bill 360 proposed language for vessel permitting will do little to protect the integrity of the Great Lakes and much to hurt the state's economy. We need consistent regulations across the Great Lakes to ensure the highest level of protection as well as recognition of the importance of the economic benefits associated with international trade provided by shipping on the Great Lakes.

Toward this end the U.S. Coast Guard has always had legal authority to put in place an aggressive national ballast water regulatory program. It is imperative that any state permitting process work in close concert with developing Coast Guard regulatory program. As written, AB360 does not. The recently released Coast Guard ballast water proposal is highly structured and detailed. It gives shape and form to scores of new requirements that provides a federal approach in the best interests of both the shipping industry and the environment.



It is not clear to me what the intent of this Bill is and, therefore, request clarification from the Committee on what its purpose is. It is vague on which ships it would regulate, lakers and ocean vessels, and how ballast water technology would be accepted. Also AB360 seems to do nothing to promote the need for consistent regulations across the Great Lakes.

The Milwaukee Board of Harbor Commissioners urges the passage of federal regulation that applies across the Great Lakes to address the basin-wide threats associated with invasive species. AB360 will merely exacerbate the piecemeal approach to addressing this issue. The current inconsistency of ballast water regulations across the Great Lakes makes it virtually impossible for shipping companies to comply with ballast water rules and for individual states to monitor and enforce such rules.

Under possible DNR ballast water regulations, ship owners will certainly avoid Milwaukee (and any other Wisconsin port) if these regulations are stricter than those of neighboring states and instead take their business to Duluth or Chicago. If ocean ships stop calling at Milwaukee, the results will be a loss of revenue to the City, closing of port terminals and a loss of jobs. Area manufacturers and Wisconsin farmers who use the port and these ships will see their transportation costs rise as they are forced to use other transportation modes to reach an alternate port. Their ability to compete will suffer as will the State's economy.

We firmly agree that the Great Lakes are a priceless natural resource that should be protected and we have no fundamental opposition to strict legislation regarding the use and maintenance of the Great Lakes. We also believe that there should be no state legislated standards established that cannot be met cost effectively and in a reasonable timeframe by the businesses and industries being impacted by those standards.

Manufacturing is essential to the strength of the southeast Wisconsin economy and its tax base. The health of this economic sector, along with southeast Wisconsin grain growers, is directly tied to Great Lakes shipping for many of the products we consume and the exports we generate.

For example, South Milwaukee-based Bucyrus International, Inc has had 15 shipments through the Port of Milwaukee since 2004. Likewise P&H Mining Equipment has routed 18 ships of mining shovels and parts. All these components are oversized and overweight and without access to water transport are very expensive to move overland. WE Energies recently brought four full ship loads of power plant components from overseas into Milwaukee for the Oak Creek power plant project. These shipments included electrical transformers that weighed 800,000 pounds and 600,000 pounds each – ideal freight examples that only water transport can economically handle. All these cargoes are handled by Federal Marine Terminals at the Port.

In recent years the Port of Milwaukee has become a leader in green energy development in Wisconsin. It is fast becoming the alternative fuels hub for the region now handling wind turbine components, biodiesel, and ethanol and soon to become the

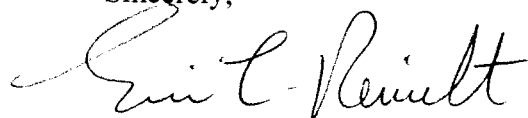
site for biomass fuel production for export. Companies such as Innovation Fuels, Inc., Waters' New Biotech, and WE Energies are establishing a presence at the Port in renewable fuels products.

This green industry development will generate millions of dollars of investment in port facilities. It will generate numerous new green collar jobs. All of this economic growth is reliant on continued ocean shipping through the Great Lakes and St. Lawrence Seaway. Should that connection be threatened by the DNR ballast rules issued under AB360 these businesses will be forced to relocate out of state, and they will take their investment and green jobs with them.

The Milwaukee Board of Harbor Commissioners also understand that much additional information is needed to make sure that we make the correct decisions regarding treatment of ballast water. The Port of Milwaukee has actively supported the Great Ships Initiative (GSI), a research program at the University of Wisconsin in Superior. The role of the GSI is to accelerate the development of ballast water treatment technologies by providing a variety of assistance to those companies doing research and development in this area. We are heartened by the \$950,000 included in the Omnibus Appropriations Act for Fiscal Year 2009 for the GSI testing lab in Superior, Wisconsin.

In summary, Milwaukee understands the urgency in addressing ballast water discharges. However, I firmly believe that federal regulation is needed to address the issue of water quality and nuisance species to ensure the future for the St. Lawrence Seaway. Anything short of a uniform national approach would be a distraction and completely ineffective. Backed by federal law, the marketplace will respond by quickly developing the needed technology. Industry, environmental groups and legislators need to join together to make this happen by working with and supporting the U.S. Coast Guard national program.

Sincerely,



ERIC C. REINELT
Municipal Port Director,
On behalf of the Milwaukee Board
of Harbor Commissioners,
President Timothy K. Hoelter
Kristine F. Martinsek
Ronald S. San Felippo
Tina M. Chang
Alderman Robert J. Bauman
Craig A. Mastantuono
Claude J. Krawczyk