

Topic Paper #4-12

AMERICAN WATERWAY OPERATORS – RESPONSIBLE CARRIERS PROGRAM & USCG SUBCHAPTER M

Prepared for the
Technology Advancement and Deployment Task Group

On December 12, 2019 the National Petroleum Council (NPC) in approving its report, *Dynamic Delivery – America’s Evolving Oil and Natural Gas Transportation Infrastructure*, also approved the making available of certain materials used in the study process, including detailed, specific subject matter papers prepared or used by the study’s Permitting, Siting, and Community Engagement for Infrastructure Development Task Group. These Topic Papers were working documents that were part of the analyses that led to development of the summary results presented in the report’s Executive Summary and Chapters.

These Topic Papers represent the views and conclusions of the authors. The National Petroleum Council has not endorsed or approved the statements and conclusions contained in these documents, but approved the publication of these materials as part of the study process.

The NPC believes that these papers will be of interest to the readers of the report and will help them better understand the results. These materials are being made available in the interest of transparency.

The attached paper is one of 26 such working documents used in the study analyses. Appendix C of the final NPC report provides a complete list of the 26 Topic Papers. The full papers can be viewed and downloaded from the report section of the NPC website (www.npc.org).

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Topic Paper

(Prepared for the National Petroleum Council Study on Oil and Natural Gas Transportation Infrastructure)

4-12

American Waterway Operators – Responsible Carriers Program & USCG Subchapter M

Author(s)

Zach McGavitt (Kirby Inland Marine, LP)

Reviewers

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SUMMARY

The American Waterway Operators (AWO) is an industry association for the tugboat, towboat, and barge industry and has long been the only standard for safety management systems in the U.S. inland tugboat and towboat industry. As participation in this industry group has always been voluntary, there was still a segment of the industry operators that were not held to any baseline of a standard when it came to risk management with a safety management system. The implementation of Subchapter M now sets a minimum standard for all commercial vessels operating in the United States.

I. Coast Guard-AWO Safety Partnership

Established in 1995, the Coast Guard-AWO Safety Partnership is the oldest public-private partnership between the U.S. Coast Guard and its stakeholders. Since its establishment, the partnership has launched more than 40 cooperative initiatives to improve safety and environmental protection. Recent accomplishments include a comprehensive analysis and recommendations to reduce towing vessel crew fatalities, the establishment of a first-of-its-kind industry training program for Coast Guard Academy cadets, and the leadership of the Towing Vessel Bridging Program, under which thousands of towing vessel examinations have been conducted to facilitate the transition to towing vessel inspection.

II. American Waterways Operators (AWO-RCP 2018), Responsible Carriers Program ⁱⁱ

The Responsible Carrier Program is a safety management system for tugboat, towboat, and barge companies that provides a framework for continuously improving company safety performance. AWO members of all sizes use the RCP to develop company-specific safety and environmental policies and programs tailored to their unique operations. The program complements and builds upon existing government regulations, requiring company safety standards that exceed those required by federal law or regulation. Since 2000, compliance with the RCP has been a condition of AWO membership.

The RCP incorporates best industry practices in three areas: company management policies, vessel equipment, and human factors. The program requires companies to undergo an audit by an independent third-party auditor to verify compliance. The RCP has been lauded by the U.S. Coast Guard and shipper organizations and, in 2012, was recognized in a Coast Guard report to Congress as a major factor in the dramatic decline of oil spills since the 1990s.

In 2014, the AWO board of directors approved changes to the RCP in order to ensure its acceptance by the U.S. Coast Guard as a towing safety management system under the towing vessel inspection regulations (46 CFR Subchapter M). Now that Subchapter M has been released, AWO is working with the Coast Guard to identify any additional changes to the RCP needed to finalize its acceptance as a towing safety management system (TSMS).

To advance the industry's foundational commitment to safety, the RCP continues to evolve. In 2012, AWO entered into an agreement with the Towing Vessel Inspection Bureau, which trains and certifies RCP auditors and develops resources to enhance the quality and consistency of RCP audits. In May 2016, AWO entered into an agreement with ClassNK (international classification society) under which this recognized classification society will be authorized to conduct RCP audits.

III. U.S. Coast Guard Sub-Chapter M Regulations

The U.S. Coast Guard's final rule to establish an inspection regime for towing vessels (46 CFR Subchapter M) was published in the Federal Register on June 20, 2016, and existing towing vessels were required to comply by July 20 of 2018. Subchapter M will improve towing industry safety by setting minimum safety standards for towing vessels and by incorporating and building on the safeguards that AWO members have already established to ensure that the entire industry achieves the level of safety that is necessary to protect lives, the environment, and property. The issuance of certificates of inspection for existing towing vessels will be phased in over four years. Subchapter M is the most important rulemaking ever to affect the tugboat and towboat industry. The publication of Subchapter M is the culmination of over a decade of work by the Coast Guard, with the strong support of AWO and its members.

Subchapter M establishes two paths to compliance for towing vessel operators: either annual Coast Guard inspections or the implementation of a Coast Guard-accepted TSMS. The TSMS option is the best way to promote continuous regulatory compliance and prevent accidents and provides vessel operators with maximum operational flexibility under the new requirements. The Coast Guard accepted the AWO Responsible Carrier Program as an existing safety management system that meets the TSMS requirements of Subchapter M.

AWO is working with the Coast Guard and the Towing Safety Advisory Committee to ensure industry members have an opportunity to review and make recommendations to refine the agency's draft implementation policy and guidance, and to facilitate ongoing Coast Guard-industry discussion to resolve implementation issues and answer questions.

As part of the effort to secure Coast Guard recognition of the RCP and ensure that the RCP continues to provide a high level of value to AWO members as the industry-leading safety management system, a working group, endorsed by the AWO Executive Committee, undertook

gap analysis exercises. The Gap Analysis Working Group made recommendations to align the requirements of the RCP with the requirements of the International Safety Management (ISM) Code, which was identified in the Subchapter M proposal as an accepted safety management system, and examined the value of additional changes based on other safety management systems and customer vetting standards.

With the support of the Coast Guard, the Gap Analysis Working Group first met in June 2014 and in October 2014 proposed to the AWO board of directors changes to the RCP to position it for Coast Guard acceptance as an existing safety management system under Subchapter M. The AWO board of directors approved the changes and subsequently approved an implementation date of January 1, 2016. The Gap Analysis Working Group was renamed the RCP 21 Working Group to reflect the group's role in assessing future changes or revisions to the RCP's standard.

ⁱ American Waterway Operators. Responsible Carrier Program. *Standard*, (2018)

ⁱⁱ American Waterway Operators. Responsible Carrier Program. *Standard*, (2018)