

# A fireboat is needed for Halifax port

## SHIPPING NEWS



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Peter Ziobrowski has been reporting on the comings and goings in Halifax Harbour online since 2008.

Those who follow Halifax council's budget process will note an interesting line item in the capital budget — the fire department is looking for a fireboat.

In his presentation to council, Fire Chief Ken Stubbing indicated that the current fireboat had exceeded its serviceable life, and doesn't meet the department's needs. The current boat is a rigid-hull inflatable, with an added fire pump and monitor. It is also fully open, without a cabin, so the crew is exposed to the elements.

The chief suggested acquiring a boat like the one in use in Vancouver and Victoria. That boat is a FireStorm 40, constructed by Metalcraft Marine of Kingston, Ont. The boat has an enclosed cabin and can be manufactured to keep the cabin atmosphere clean. Several local builders would be capable of producing the design, or a similar vessel.

A port city like Halifax needs an on-water firefighting capability. Increased development on the waterfront could present problems for firefighters if they can only access a structure from the land side. Additionally, a fireboat can provide a reliable water supply should a fire break out on one of the harbour islands — McNabs, Lawlor and Georges.

A fireboat would also prove invaluable in mitigating risks presented by the port. Vancouver's fireboats have responded to incidents aboard ships at anchor and at terminals on land. With port-related risks as a primary reason for a fireboat, a



Halifax fire boat Atlantic Willow moves into position to escort Queen Mary 2 out of Halifax harbour in 2010. **FILE**

case could be made for Ottawa to finance the acquisition of a vessel under the National Trade Corridors Fund.

The trade corridors fund was set up by the federal government to make improvements to the flow of goods and people within Canada, increase flow of trade in to and out of Canada, and help the transportation system respond to climate change. Certainly fire presents a risk to the flow of goods through the port, and increased risk of wildfire due to climate change on the harbours, islands could be valid justifications for funding under the program.

The last time I can recall a fireboat being used to fight a fire

in Halifax was when the navy's, now surplus boat, Firebird, was used to fight a fire on board the Caruso. The Caruso was the former CCGS Sir Charles Tupper, and it caught fire in Dartmouth Cove in 2008. Firebird was retired by the navy at the end of 2014 and was sold as surplus. Firebird also responded to the fire aboard the container ship Kitano in 2001.

In 2008 Halifax attempted to buy a fireboat. The department ordered a 24-foot boat from Harbour Guard Boats in California, much to the chagrin of the local boat building industry. That boat capsized during training before the city accepted delivery of the craft. The Transportation Safety

Board investigated that incident, which found deficiencies in small craft stability standards, which were updated by Transport Canada in 2009.

■ The Yantain Express, the container ship that caught fire while it was bound for Halifax, has been surveyed and the general average and salvage securities have been announced. The salvage security was set at 32.5 per cent of cargo value, and the general average security was set at 28 per cent of cargo value. Once the salvage claim is arbitrated, and the general average loss adjusted, cargo owners will be billed or refunded the difference.

■ The CCGS Hudson sailed Saturday for New Dock in St

John's, N.L., for the start of a \$10 million work period. The work is required to keep the ship in operation another five years.

■ The coast guard is looking to procure a light icebreaker for use in the Great Lakes and St. Lawrence River. The vessel would also tend to navigational aids and search and rescue duties. The CCGS Earl Grey, based in Halifax, is one variation of light icebreaker currently in use. The government is looking to procure an existing vessel, and modify it to suit, with the actual contract award for the winter 2020-21 time frame.

Disclosure: Peter Ziobrowski is a volunteer with the Halifax Regional Fire & Emergency.

# East Coast's issues similar to those in B.C.

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When it comes to oceans, what appear to be regional issues are really national ones.

On Friday, the National Energy Board re-approved the Trans Mountain pipeline, after being told by the courts to reconsider the initial approval, taking into account the increased marine traffic the project will bring.

The NEB stated that there were significant risks to the environment due to increased ship traffic as a result of the project, but the benefits outweigh the risks. Trans Mountain proponents claim one tanker a day will be the increase in traffic. While this is considered to be far too risky by some on the West Coast, the East Coast already sees that volume of tanker traffic, and issues with incident response are getting far less attention here.

Saint John, N.B., saw 35 tankers call at that port in January. The Port of Saint John features a 7.6 metre tidal range, strong currents, and the approaches are home to the endangered North Atlantic Right Whale. An environment very similar to the B.C. coast.

To date, government regulation and reaction to incidents have been weak. While its great in theory to rely on industry to react appropriately, government needs to have the tools and the ability to take immediate action in order to have the trust of Canadians.

Having emergency towing vessels on the West Coast is good,



Search and rescue remove crew members from the tanker Arca 1 after it ran aground off Cape Breton last January.

**DARREN BOUTLIER ■ FACEBOOK**

but there must be a plan to use them. There are no public plans in place for similar vessels on the East Coast.

Back in March 2014, the bulk carrier John 1 lost power off Newfoundland after the engine room flooded. Tugs were ordered by the owner, but were delayed by ice and weather. The CCGS Earl Grey arrived at 8 a.m., but simply advised the master of the John 1.

When the John 1 finally drifted to within 3.2 kilometres of a shoal, a last minute attempt to tow the John 1 was made by the Earl Grey, but failed. An hour after the tow attempt was started, the ship grounded, and once salvaged was declared it was a total loss.

Had the coast guard ordered the ship under tow upon its arrival at 8 a.m. that morning, there would have been time for options

that didn't exist at 11:40 a.m.

While the John 1 was an empty bulk carrier, and no pollution resulted from the grounding, hundreds of tankers sailing to and from refineries in Quebec and Montreal traverse those waters annually.

The federal government claims Canada has a world-class spill response. This claim is problematic, when the NEB suggests allowing 36 hours for mobilization after a report of a spill.

Alaska's legislated requirements are much stricter, requiring containment and recovery of 300,000 barrels within 72 hours of the occurrence. That amount is slightly more than was released by the infamous grounding of the Exxon Valdez.

Canada's pollution response plan still has industry taking the lead, with the coast guard only assuming command in the case of

unknown sources of oil, and otherwise serving in an advisory role.

While several response organizations, empowered by legislation and funded by industry, exist around the country, there is no reason for the overall command of the incident to be led by the coast guard, and response standards enhanced to match those of our neighbours.

Prompt and decisive action prevents incidents from becoming large disasters, and builds the confidence of Canadians.

■ The Leeway Odyssey returned to Halifax on Monday after a work period. As part of that work, the red hull was traded for a medium gray.

■ The Fundy Rose, completed a work period at Pier 9 in Halifax, and returned to service on the Digby to Saint John ferry run on Sunday. The ship arrived at the

end of January for scheduled maintenance.

■ The Salvage operation on the Yantain Express concluded last week, cargo operations to remove and survey damaged containers have begun in Freeport, Bahamas and is expected to take up to two months to complete.

■ Algoma Tankers has purchased another vessel to be named AlgoTerra. The ship is expected to be delivered in April. Algoma Tankers shuttle refined product for Valero to various ports on the East Coast.

■ Develop Nova Scotia has purchased the Ectug Wharves from Svitzer AG. The former home to East Coast Towing and Salvage, and prior to that the Foundation Maritime Co., the wharves have historic importance but have fallen into disrepair. Hopefully they will be restored and preserved.



# N.S.'s success, failure in tidal power

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Last week brought good news and bad news about tidal power in Nova Scotia.

The good news, was that Sustainable Marine Energy generated the first power from its Plat-I turbines in Grand Passage, Digby County.

The bad news is that the non-functioning turbine, owned by the bankrupt Open Hydro, may cost more to remove than the security posted for that eventuality. Open Hydro's turbine is located at the Fundy Ocean Research Center for Energy (FORCE) Test site.

Sustainable Marine Energy's success is great for the fledgling tidal power industry, but what makes it more interesting is that it is not happening at FORCE.

The Bay of Fundy is constantly cited as the perfect environment for harnessing tidal energy. The bay features the highest tides in the world, with a tidal range as high 15.24 metres. But if the bay, and the FORCE test site off Parsboro are the Mount Everest of tidal basins, and the ultimate place to operate tidal power generation, is that really the place to be proving new technology?

Open Hydro's turbine has twice failed, both times shortly after it was installed. Installation is expensive, requiring a specialized barge worth several million dollars, and multiple support vessels.

Sustainable Marine Energy also has a lease on a test site at



Sustainable Marine Energy's PLAT-I tidal energy platform has generated its first power from the tidal currents of Grand Passage in Digby County.

FORCE, but to date has not installed anything there. It has been suggested that the conditions at FORCE make installations difficult and costly, and that may in part explain why lease holders, other than Open Hydro, have yet to deploy their technology.

When developing a new technology product, companies will typically develop a minimally viable product. This is the simplest implementation of the product that can be marketed, and it is used to learn. Sustainable Marine Energy's Plat-I turbine in Grand Passage fits that.

The turbine proves the technology works, it generates marketable power, and the location avoids the issues of a 15.24 metre tidal range. The company has

plans for bigger turbines in the future, planning to generate five megawatts at the site.

Going back to the mountain climbing analogy, if you were to train to climb Mount Everest, you would probably want to climb some smaller, less difficult mountains first, take what you learn and apply it to Everest. The same should apply to tidal energy projects.

With the FORCE site, we are asking tidal energy startups to invest heavily in building technology, then spending more money to deploy it in a difficult environment, without the benefits of offering a quieter, less turbulent proving ground.

Certainly if a turbine can survive the tides of the Bay of Fundy,

they can survive the tides and currents anywhere in the world, but shouldn't the goal be to work up to the extreme case, and not start with it.

■ The Nolhan Ava is a weekly caller running between Halifax and the French islands of Saint Pierre and Miquelon. The small ship carries containers and vehicles, and this past week moved operations from Halterm to Fairview Cove. I am told most of the cargo it carries comes from ships that call at Fairview Cove. This should reduce some truck traffic running between the two terminals.

■ The Halifax-based Horizon Enabler has been busy conducting cable repair operations on a cable running between Newfoundland

and Labrador and Greenland. The cable has suffered several breaks, needing repair.

■ HNoMS Helge Ingstad, the Norwegian frigate that sunk after a collision with a tanker was raised and is now sitting on a barge. The Norwegian Navy is evaluating if the ship should be repaired or replaced. Early reports are that many compartments stayed watertight, and the ship was more buoyant than expected.

■ A coasting trade application was made for the Dutch tanker Annette Essberger, to carry a load of sulfuric acid from Belledune, N.B., to Long Harbour, N.L., later this month. One Ocean Expeditions also filed requests to use the Akademik Ioffe and the RCGS Resolute for Arctic cruises this summer.



## PORT OF HALIFAX

## A look back at the year that was

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The big news in 2018 came towards the end of the year, with the Halifax Port Authority beginning the expansion of pier 42, and the possible acquisition of Halterm by CN Rail.

These stories will probably be significant news stories in 2019 as well. Many other notable events happened in and around the port this past year.

In a bid to cut costs, ZIM started a new Canada Florida Express (CFX) service, and dropped Halifax from the ZCP (Pacific to East Coast) Service. The ZCA (trans-Atlantic) Service remained unchanged, while the ZCI (Mediterranean to East Coast) service began being marketed by The Alliance as AL7, after it cancelled the Halifax call of its competing AL6 Service.

Maersk added a new weekly Med/Montreal Express (MMX) Service, with its first call in Halifax in early August but Halifax was dropped from the service in November. Tropical Shipping also began calling in Halifax in January, moving from Saint John, N.B.

The March 18 call of APL Salalah at Halterm set the current record for largest container ship to call on Halifax at 10,798 TEU. Hangzhou Bridge holds the record for the Fairview Cove at 8,974 TEU, calling just 11 days later.

At Halifax shipyard, the BOA Barge 37 arrived to facilitate launching of the Arctic Offshore Patrol Ships at the end of April. The first ship of the class received its final coat of paint in August, was launched in September, and was named HMCS Harry DeWolf in a ceremony at the shipyard in early October.

The centre and stern megablocks of AOPS #2, the future HMCS Margaret Brooke, were



The bow of Margaret Brooke is seen in the assembly hall at the Irving's Halifax Shipyard in Halifax.

**TIM KROCHAK ■ THE CHRONICLE HERALD**

rolled out and joined at the end of September, and the keel laying ceremony for AOPS #3, the future HMCS Max Bernays, was held Dec. 5. The federal government also announced it was going ahead with a sixth AOPS, after splitting the Halifax-class maintenance contract between Halifax Shipyard and Chantier Davie Canada Inc. shipyard in Lévis, Que.

Davie's first conversion project, the interim supply vessel NRU Astrix, arrived in Halifax for the first time and, after workups, sailed for the West Coast. The former HMCS Athabaskan was consigned to the scrapers in January, and was towed from the port for the last time on March 29.

The navy's sail training vessel HMCS Oriole was reassigned to Maritime Forces Atlantic, after a winter refit in Lunenburg. The ship was previously based in Esquimalt, B.C.

Halifax saw visiting American,

French, British and Danish naval vessels in 2018, beginning with USS Little Rock, which had overwintered in Montreal due to ice. Classmates USS Wichita and USS Sioux City also stopped in Halifax, on their way to their home ports from the builders yard in the Great Lakes.

Other visitors included the Danish patrol ship HDMS Ejnar Mikkelsen; U.S. Navy submarine USS Toledo; French submarine F.S. Amethyste; British supply ship R.F.A. TideSpring; USS Hue City, a guided missile cruiser; BASH Rhone, a French naval support vessel; and U.S. Coast Guard Cutters USCGC Katmai Bay, USCGC Mobile Bay, USCGC Legare, and USCGC Abbie Burgess.

The year 2018 brought a record number of cruise ships and cruise passengers to the port. Fram was the first cruise ship of the season, arriving on April 22. Insignia was the last, calling on Nov. 6. The

brand new Norwegian Bliss made a stop in Halifax April 30 on her maiden voyage, bound for Alaskan waters.

Grimaldi named one of its new build car carriers Grande Halifax, after the port. Grimaldi Group is the parent company of ACL, one of the Port of Halifax's first container customers. Dominion Diving purchased Dominion Warrior, a flat-deck workboat, and Leeway Marine added the high-speed patrol vessel Leeway Striker to its fleet. Halifax Transit took delivery of the final two new Dartmouth Ferries, the Vincent Coleman in January and the Rita Joe in October.

It wasn't all good news in 2018, however. The Port of Halifax lost its bunkering tanker Algoma Dartmouth, as the charter was not renewed. The ship sailed for Saint John, N.B., to begin working for Irving Oil.

Bunkering services remain available in Halifax via truck. In

June, three men were arrested with diving gear after 150 kilograms of cocaine was found in a sea chest of the container ship Aracia. The ship was operated by CMA-CGM on the Maersk CAE service.

In July, a dump truck operator was killed when his truck ended up in the harbour at the infill site next to Fairview Cove. In August, the Tufts Cove power plant spilled several thousand liters of Bunker C oil into the harbour. The cleanup took months.

The CCGS Corporal McLaren MMV was damaged in November after someone cut the cables securing the cradle the vessel was sitting on at the CAE Shipyard in Sambro Head, causing it to become partially submerged.

What does 2019 hold? Port expansion, new container-ship size records, and the delivery of the HMCS Harry DeWolf to the navy are easy predictions to make — the rest, time will tell.



## CONTAINER SHIP FIRE

## Cargo owners could face salvage bill

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The first week of 2019 has proven to be an eventful one with regard to serious marine incidents.

On Dec. 31, the car carrier *Serenity Ace* caught fire and was abandoned in the Pacific Ocean. On Thursday, the Hapag-Lloyd container ship *Yantian Express*, bound for Halifax, suffered a container fire, which spread to adjacent containers. Weather hampered firefighting operations, and the crew abandoned ship.

Two tugs were hired by the ship's owner. The *Smit Nicobar* happened to be close by the incident and the *Maersk Mobiliser*, which was dispatched from St. John's, N.L., arrived on Monday. The situation has likely deteriorated with fire spreading due to poor weather conditions. Once the fire is controlled, the *Maersk Mobiliser* will tow the ship into Halifax.

Salvage is the term for providing aid to the ship or recovering the vessel and the cargo from a peril.

The actual salvage of the ship can be handled two ways: The shipowner could contract services



The Hapag-Lloyd container ship, *Yantian Express*, was bound for Halifax last Thursday when it caught fire. The fire burned for days off the coast, forcing the crew to be evacuated. Eventually the ship will be towed to Halifax. **HAPAG-LLOYD ■ CP**

to save the ship and cargo on a time and materials basis, and the second option is a Lloyd's Open Form.

The Lloyd's Open Form works on the "no cure, no pay" principle. If the salvor is successful in saving the ship and cargo they will be paid an amount determined by a salvage arbiter in London. This amount is based on the value of cargo and ship saved. If the salvors fail, they don't get paid.

The ship itself is protected by hull and machinery insurance. Liability for the ship, including pollution, is covered by protection and indemnity insurance, which is

issued by a P&I club. A P&I club is a mutual insurance cooperative, which is made up of shipowners and operators to pool risk.

Based on recent container ship fires, it seems likely that Hapag-Lloyd will invoke general average. The principle behind general average is that losses on a voyage should be held by all parties with an interest in the voyage. General average only applies when extraordinary actions are taken when a ship is in peril.

The principle of general average goes back several hundred years, but the York Antwerp rules of

1890 provided the first uniform set of rules. The York Antwerp rules still exist and are included as a clause in shipping contracts.

When a shipowner declares general average, an adjuster estimates the value of the loss, as well as the value of the ship and cargo. The loss is then expressed as a percentage of the total value, and apportioned to each parties' interest in the voyage.

In the case of the shipowner, their share of the loss would be the percentage of the value of the ship. Those with cargo aboard will be required to post a security for a

percentage of the CIF (cost + insurance + freight) value of the cargo, which must be paid before the cargo is released.

In the case of the fire aboard the container ship *Maersk Honam* in March 2018, the general average amount was 54 per cent of the CIF value. Eventually 42.5 per cent was the salvage reward, the remaining 11.5 per cent to other losses. If your cargo value was \$100,000, your general average security would be \$54,000.

Once all actual losses and costs are known, the adjuster will then determine the actual losses, and debit or credit the cargo owners. General average costs would be covered under a cargo owners' marine insurance.

In the case of the 2012 fire aboard the *MSC Flaminia*, the liability for the fire was ruled on in late 2018. The courts split liability between the cargo owner and their common carrier, which had booked the slot on the ship. The cargo and hull insurers will now attempt to collect their outlay from the liable parties.

Here are some more happenings in the harbour:

- CMA-CGM *Libra*, due this coming weekend, will set the record for the largest container ship to call in Halifax to date. The ship is rated at 11,388 TEUs and will surpass the record held by APL *Salalah*, which carries 10,960 TEUs.

- Tropical Shipping introduced its new ship *Tropic Hope* to the Port of Halifax last week. The ship will be joined by *Tropic Island* later this year, replacing chartered tonnage.



# A safe harbour for a distressed ship

## SHIPPING NEWS



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The fire aboard the Halifax bound container ship Yantian Express is turning into an excellent case study in maritime casualty management.

Hapag Lloyd released a statement last week outlining the damage to the ships and cargo. The fire appears to have started in the fourth stack of containers on deck. Hapag Lloyd said in a statement that all cargo forward is assumed to be directly affected by fire. The surrounding cargo likely has smoke and water damage, as would all cargo in the holds below the fire area.

Damage seems confined to the first third of the ship, which suggests the fire started in a container loaded with a hazardous or noxious substance. This is known in the shipping industry as HNS cargo.

HNS cargo is typically stored at the front of the ship, so that in the case of a fire it is away from the accommodation block, allowing for the fire to be managed while the crew is rescued.

From the initial reports it appears this strategy worked as intended. The crew was able to steer the ship so the wind blew the smoke away from the accommodation area until they could be safely evacuated.

Hapag Lloyd reported the fire to be under control on Saturday, however the dispatch of two additional tugboats and the lack of progress towards a port suggests the fire is still problematic and firefighting efforts are still underway.

The salvors have made a request to Transport Canada for a place of refuge. A place of refuge



The container ship Yantian Express is shown in a handout photo from Hapag-Lloyd. Crews working to extinguish a fire aboard a large container ship off Canada's east coast are facing some big challenges, an expert in offshore safety says. **HAPAG-LLOYD ■ CP**

is a place, where a ship in need of assistance, can take action to stabilize its condition. Nation states are obviously reluctant to grant permission to damaged ships to enter home waters. The risk of pollution, or even the outright sinking of the vessel are significant concerns.

The International Maritime Organization adopted the "Guidelines on places of refuge for ships in need of assistance," with the aim of encouraging states to offer assistance to vessels in distress, by performing a risk assessment before rejecting refuge applications by distressed vessels.

Transport Canada has a "Places of refuge contingency plan" to guide the risk assessment conducted by the regional office of

Transport Canada, Canadian Coast Guard and other relevant government agencies.

There is a sub plan for the Atlantic region, which contains information about ports and facilities. Halifax has several advantages as a port of refuge. It provides a sheltered harbour, has tugs and pollution control equipment available, environmental contractors, Transport Canada offices, and cargo handling facilities.

The risk assessment looks at the condition of the ship, what actions have been taken and are proposed by the salvors and the controls that are in place and what the possible outcomes of the situation are. If the risk is deemed low, then a place of refuge is granted.

Transport Canada can also offer a place of refuge with conditions, or outright reject the request. If its rejected, then the government has the option of offer assistance offshore.

In the case of the Yantian Express, the assessment will look at the structural condition of the ship, what the salvors intentions, and the serviceability of the ships equipment and engines, and the risk of pollution. Presumably the fire will need to be substantially controlled before the ship is permitted to enter port.

Once the Yantian Express is in port, cargo not damaged by the fire will be unloaded, and transferred to a ship being sent to Halifax to collect it. The damaged cargo will also need to be re-

moved, and hazardous contaminants dealt with. This incident will be ongoing for several weeks to come.

■ The Tug Atlantic Enterprise arrived in Halifax over the weekend as part of the salvage effort. Horizon Star sailed Tuesday morning for the casualty. Hapag-Lloyd has dispatched the Shanghai trader from Bremerhaven presumably to move unaffected containers onward. Shanghai Trader is due on Friday.

■ The former Halifax Transit ferry Woodside I sailed from the harbour for the last time on Friday. After a work period at the CME Shipyard in Sambro, the ferry will sail for Toronto in the spring with the Halifax III. The Dartmouth III is already there.



# Response to hazardous ships lacking

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The Yantain Express, which caught fire Jan. 3 while bound for Halifax, now looks to be under tow.

The ship is travelling about 70 nautical miles or about 140 km a day, and is now headed for Freeport Bahamas. Transport Canada has not rejected the request for a place of refuge, however the salvors likely decided that Freeport offered a better climate and regulatory regime.

In a way, Canada has dodged yet another bullet and avoided having to deal with a significant maritime disaster since fire was at the bow of the ship, it is safe to assume that hazardous and noxious substance (HNS) cargoes are involved in the fire.

Unlike oil spills, Canada does not currently have a national plan for responding to incidents with HNS cargo.

Transport Canada is currently circulating a discussion paper for comments, as part of the Oceans Protection Plan. It then plans a phased approach for implementation of new rules.

The first phases would expand existing plans and procedures for dealing with oil spills to also address HNS releases. Real improvements are targeted to happen in years three and four, and include enhancing responder capability and training of local resources.

HNS cargoes present a whole range of complex problems. Different cargoes behave differently when released, and require different safety precautions and cleanup methods. In a situation like the fire on the Yantain Express, there is also the concern about interac-



The M/V Yantian Express is seen on Jan. 15. The ship's cargo is still on fire and smoke and water can be seen coming from the ship.

**CAMERON BRUNICK**

tions when multiple unknown products mix.

To date, HNS incidents in Canada have been small, typically only involving a single container. A 2015 fire in a container containing an industrial disinfectant at Vancouver's Centerm burned for several hours before it was brought under control.

Staff at some nearby businesses were advised to shelter in place until the fire was put under control. It took nearly 36 hours to fully extinguish the fire.

Halifax had its own HNS incident in 2014 when a bulkhead loaded with casks of a Uranium Hex failed and fell from the gantry crane back into the hold of the ship. While radiation was a concern, the product in those casks is far more dangerous as a toxic substance, causing burns on contact and death from inhalation.

None of the product was actually released; however the incident

took two days to resolve, with a specialist cleanup team flying in from Toronto, and Halifax Fire's Hazmat team on scene for the duration.

Imagine a worst-case scenario where that Uranium Hex cargo was involved in a fire. Should it mix with water, toxic and corrosive gas is produced. That adds a whole other dimension to the incident, and there are other cargoes that pass through the Port of Halifax that react poorly with water contact.

Complicating HNS cargo response, is the fact that heat and fire can destroy container marking and placards that would indicate what the contents of the container is. Additionally, shippers often miss-declare cargo as not being HNS, to get lower rates. This can result in hazardous materials where they are not expected, and cause additional problems.

Maersk has started a program

where it will physically spot check the contents of certain containers to verify declarations, which is in response to a serious fire on one of its ships.

When the Yantian Express finally docks, the cleanup effort is going to be massive.

Hapag-Lloyd has said all temperature controlled goods in the front of the ship have lost power. There will be spoil. Individual containers will still be smoldering. The firefighting water in the holds likely contains a cocktail of HNS cargo, and can't simply be pumped overboard.

In the end, incident response is local. Ignoring international frameworks, and national plans, Transport Canada needs to ensure that local resources are trained and available to deal with incidents with HNS cargo. Waiting for Toronto-based specialists is not really a good option.

■ The Oceans Alliance, consisting of container Lines

COSCO, CMA-CGM, Evergreen and OOCL have announced the extension of their Alliance until 2027. The alliance, which formed in 2017, was initially for five years, with two five-year options for extension, both of which have now been exercised two years into the alliance.

■ Dredging work for the Halifax term Expansion has begun.

■ Troms Sirius and Lundstrom Tide ended their charter to Horizon Maritime and were reflagged and sailed from Halifax. Both vessels were chartered from Tide-water for use during BP's exploration program, which has since ended.

■ HMCS Ville de Quebec returned to Halifax Monday, after being deployed to the Mediterranean with NATO. HMCS Toronto sailed to take VDO's place on Saturday. HMCS Shawinigan and HMCS Kingston deploy on Tuesday for three months to West Africa.



# Davie takes aim at shipbuilding strategy

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Chantier Davie Canada Inc. just fired a big shot at the federal government in its ongoing war to discredit the national shipbuilding strategy.

In a letter, the Levi, Que., shipyard declined to bid on refit work for the coast guard's science vessel CCGS Hudson, saying its condition "presents a serious and real threat to safety of life at sea." The ship, which entered service in 1963, is the oldest in the coast guard fleet, at 56.

I have spoken with former crew of the Hudson who feel this statement is off base. The ship is still safe, despite its age, but things are wearing out, thus the requirement for the work period. According to the request for proposals, the refit work is scheduled for Feb. 25 to July 15 this year and includes significant steel work, tank replacement, and replacement of watertight openings.

The work will need to pass a Lloyds Register inspection. Lloyds Register is a class society, which exists to inspect vessels' hull and machinery against the societies technical standards. If the vessel meets those standards, it is said to be "In Class" and insurance underwriters have assurances that a loss will not be the result of a design or construction defect.

Transport Canada also makes use of class societies under its delegated statutory inspection program or DISP.



The refit work on the CCGS Hudson is scheduled to begin Feb. 25 and last until July 15 this year. The work includes significant steel repairs, tank replacement, and replacement of watertight openings. **CALVIN CAMPBELL**

The DSIP essentially allows Transport Canada to accept a class society's confirmation that a vessel meets the required safety standards without having Transport Canada independently inspect the ship. Most coast guard vessels are classed by the American Bureau of Shipping or ABS. The Hudson is classed with Lloyds Register.

The presence of the class society notwithstanding, Transport Canada Ship Safety has an obligation to inspect and detain any ship that it becomes aware may be potentially unsafe. I have heard stories of coast guard vessels being detained by the coast guard in the past due to various issues.

Davie's letter should be considered a notification that the ship is unsafe, requiring Transport Canada to take action.

Davie's letter was addressed to

the public works procurement contact, suggesting the letter was more of a political statement than a legitimate safety concern, though since becoming public, Transport Canada would have a responsibility to act.

A request to Transport Canada, to confirm if they received the letter from Davie, or if they consider its publication to be sufficient grounds to investigate, and to find out what actions they have taken, was acknowledged, but not answered by deadline.

CCGS Hudson's last refit began in 2016 and went over schedule into 2017. The failure to meet the schedule was largely blamed on the Heddle Marine Shipyard in Hamilton, Ont. where the work was carried out, rather than issues with the ship.

Davie is campaigning hard for work under the National Ship

Building Procurement Strategy, and is attempting to suggest that the plan is a failure. While ships are being built, only so many vessels can be constructed at once in the two yards awarded contracts, and Davie is trying to suggest they should get some of the work to expedite fleet renewal.

The federal government certainly didn't do any favours to the Canadian shipbuilding industry when they declined to build any new vessels in the '90s and 2000s leading to a situation where the Coast Guard fleet, plus a portion of the Navy's fleet, needs renewal at once. The current government is now wearing it.

■ Early Sunday morning, there was a fire aboard the tanker Kivalliq W while the ship was tied up at the Imperial Oil terminal in Dartmouth. When the crew

were unable to fight the fire, Halifax Regional Fire and DND's dockyard fire brigade responded, and extinguished the fire. The tanker was operated by Coastal Shipping of Newfoundland and Labrador and was discharging product from the Valero refinery in Quebec. Monday morning the ship moved to Pier 9.

■ The Shanghai Trader is filling in for the Yantian Express on the east bound leg of the trip. The ship was originally due in Halifax, but sailed to Savannah, Ga. instead, then made a stop in New York. It sailed from Halifax on Tuesday.

■ As suspected, Hapag-Lloyd declared general average in the case of the Yantian Express. The ship is sailing under its own power for Freeport Bahamas, with the salvors escorting. The ship is due to arrive on Friday.



## COMMENTARY



Halterm container terminal. **MIKE BAYER**

# Halterm terminal needs to expand to meet demand

**PETER ZIOBROWSKI**

In 2010, just prior to the first expansion at the Halterm container terminal in south end Halifax, the largest vessel to call in Halifax was the MOL Paramount capable of carrying 6,300 TEU containers.

That ship is still calling in Halifax but eight years later the record is now held by the CMA-CGM Libra, at 11,400 TEUs. The growth in both size of ship and annual container counts calling in Halifax are expected to increase further.

With the increases, the port knows it needs to grow, and in 2016, the Halifax Port Authority commissioned the engineering firm WSP to conduct a study on options to accommodate growth.

This past summer, a first phase temporary expansion of Halterm was revealed. It would begin in early 2019 but phase two option was not approved for federal infrastructure dollars. Despite several other ports receiving funding, the other options investigated by the study were not publicly disclosed.

The preferred phase two option revealed in the summer is known as Halterm North, and would see the infilling of two of the finger piers in the Ocean Terminals, producing more lay-down space, and a new larger pier capable of accommodating the largest container ships in existence at Halterm. This option has the lowest cost, at a price tag of \$416 million, and fits within the existing footprint of the south end port lands.

Last week, the port authority presented a stakeholder update that outlined all the options that were investigated for phase

two expansion. The study looked at several options, including barges, trucks in the rail cut, a Northwest Arm tunnel, and development on McNabs Island. All have significant issues, and would be disruptive to their surrounding communities.

At the existing Halterm site, a south expansion was investigated where the existing terminal would be expanded southward into the waters by Black Rock Beach.

This option would have a significant impact on Point Pleasant Park. An eastern option was also considered, which would see expansion into the harbour. This was the costliest option, and could affect navigation.

Moving the terminal to Dartmouth was also investigated, but WSP determined the facility wouldn't be ready until the mid 2030s, the cost would approach \$2 billion, and significant rail upgrades would be needed to be put into place through existing communities.

While Dartmouth will surely remain a popular option for Haligonians, if the Port of Halifax, with an existing customer base, can't make the business case for a greenfield terminal to work, it seems unlikely that a viable business case exists for the proposed terminals in Sydney and the Strait of Canso. They lack rail, customers, and an existing terminal.

The Halterm North plan gives the port the space it needs to grow into the future, and does so within its existing boundaries. CN's interest in acquiring the terminal gives the terminal a motivated partner to grow business, and become a bigger player on the East Coast.



## COAST GUARD

## Towing plagued by appeals, stale guidelines

## SHIPPING NEWS

**PETER ZIOBROWSKI**

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Peter Ziobrowski has been reporting on the comings and goings in Halifax Harbour online since 2008.

The federal government, as part of its Oceans Protection Plan, awarded a contract to Atlantic Towing to provide two emergency towing vessels on the British Columbia coast.

After the contract was awarded, Heiltsuk Horizon Maritime Services complained that the Atlantic Towing vessels did not meet the requirements set out in the request for proposals.

Heiltsuk Horizon is a partnership between the Heiltsuk First Nation of B.C., and Horizon Maritime, based in Dartmouth.

In January, the Canadian International Trade Tribunal found in that the vessels did not meet the mandated requirement for towing power.

The trade tribunal recommended that no further money be

spent on the contract until a review is completed. Public Works and Government Services Canada will undertake the review, which could lead to the cancellation of Atlantic Towing's contract.

Heiltsuk Horizon declined to disclose which vessels it bid for the contract, however, the company has access to U.S.-based Tidewater Transportation & Terminals' fleet, which has several capable vessels available.

Atlantic Towing's emergency towing vessels Atlantic Eagle and Atlantic Raven have been on station in B.C. since December, however it appears the coast guard lacks guidance on how to use the vessels effectively.

This became abundantly clear last week when we learned from the Washington State's Department of Ecology that a bulk carrier had lost power in Canadian waters, and was adrift.

The Alam Sayang, bound for Vancouver, lost power about 352 kilometres off Haida Gwaii on Jan. 24. The Atlantic Eagle was tasked with a search and rescue response, however, the vessel was determined not to be required when the coast guard found that the crew was not in danger.

The U.S. Coast Guard issued an order requiring the ship to have

tugs enter U.S. waters, prompting the Alam Sayang's owner to hire the Washington State emergency towing vessel, Denise Foss, to tow the vessel to Vancouver. Transit in U.S. waters is required to reach Vancouver.

The announcements by U.S. authorities is how we became aware of the situation, the Canadian government was silent until it responded to questions on Monday.

After the Washington-based tug was hired, Atlantic Raven was dispatched in an environmental response capability until the Denise Foss arrived and had the bulk carrier under tow.

The Canadian Coast Guard has clear protocols for dealing with search and rescue incidents and pollution incidents. Both Canadian emergency towing vessels were deployed in this case — each deployment under one of the existing protocols.

The question we should be asking is why? With the two towing vessels being deployed, why did the coast guard not have the Alam Sayang towed to Vancouver itself?

The Canada Shipping Act precludes government vessels from conducting salvage, though there is an exception for government tugs specifically equipped

for salvage. These emergency vessels would fit that requirement.

The Atlantic Eagle and Raven are not government vessels, as they are on charter to the government, so it is not clear that the Canada Shipping Act's prohibition would apply in any case.

If the Atlantic Eagle took the Alam Sayang under tow, the vessel owners would be responsible to pay the cost of the tow under salvage law. The government's costs on this response would be covered.

The restriction against government salvage in the Canada Shipping Act is in place so the government doesn't compete with private enterprise.

In this case, the tow came from an American tug, so there were no Canadian business interests to protect. The origin of the tow and its destination were both in Canadian waters. It is probable that the American tug broke Canadian cabotage laws.

While this case played out on the West Coast, the issue exists on our coast as well, except the coast guard has no dedicated towing vessels here and must rely on the availability of commercial tugs.

We have been lucky so far, and a close tug has so far always been

found but it would make sense to station an emergency towing vessel in Sydney.

That said, it's one thing for the government to procure a needed capability, now it just needs to learn how to use it.

There are some other happenings in shipping news:

- The Yantain Express tied up in Freeport Bahamas on Monday afternoon. We should soon have a full damage assessment and an idea of what the salvage and general average costs were.

- The master of the container ship Ef Ava, which calls on Halifax as part of Emskip's Green Line, struck his head while sailing between Iceland and Argentina. He succumbed to his injuries before he could be delivered to medical care.

- The container ship APL Vancouver, which has previously called on Halifax on the Columbus loop service, suffered a container fire off Vietnam.

- The container ship Ever Summit struck a gantry crane at Vancouver's Centerm, while docking last week, causing it to collapse onto the ship. Equipment to remove it is due this week, however, at least four ships have backed up due to closure of the terminal.



## Correction

In January, the Canadian International Trade Tribunal asked that the “bollard pull” capabilities of two Atlantic Towing vessels and the vessels of other bidders for a West Coast emergency towing contract be verified by an international certification body. Incorrect information appeared in Wednesday’s edition.



## OIL POLLUTION FUND

# How shipping cleanups get funded

## SHIPPING NEWS

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Peter Ziobrowski has been reporting on the comings and goings in Halifax Harbour online since 2008.

The Canada Shipping Act stipulates that a vessel owner is strictly liable for any pollution caused by the vessel, regardless of the cause. In other words Canada operates on the polluter pays principal.

In most cases, vessel owners and their insurers will hire contractors to perform the cleanup. But what happens when the polluter doesn't pay?

The Ship-Source Oil Pollution fund, or SOPF, was established as the Maritime Pollution Claims fund in 1973 to pay claims for oil pollution cleanup. The fund was established with a levy on oil imports and exports between 1972 and 1976, and is currently worth \$405 million.

The fund investigates and pays claims for cleanup costs, and then attempts to collect from ship owners.

The SOPF recently won two judgments in federal court against Tracy Dodd. The first was related to the 2015 sinking of the Farley Mowat in Shelburne Harbour. The coast guard claimed \$839,862.02 for the refloating and cleanup of the ship.

The second judgment related to the 2014 sinking of the Ryan Atlantic II in Bridgewater. That former fishing trawler sank in 2014, and was refloated and cleaned up by the coast guard, which made a claim to the SOPF for \$382,353.33.

The Hannah Atlantic, another trawler owned by Dodd, was subject of a cleanup claim in 2014.

The SOPF has two outstanding claims on the Farley Mowat, the first from the Town of Shelburne,



The anti-sealing ship Farley Mowat sank in Shelburne Harbour in 2015. The coast guard claimed \$839,862.02 for refloating and cleanup of the ship. **FILE**

for costs related to the 2015 sinking and a second claim from the coast guard for the ship's disposal in 2017.

Dodd was previously ordered to pay \$140,000 in unpaid berthage fees to Shelburne, and spent 20 days in jail for failing to remove the ship by a court imposed deadline.

The SOPF was recently in the news when Vancouver claimed for costs related to the spill from the Marathassa. The city received a settlement offer from the fund that was a fraction of the claim, prompting the city to sue the ship directly, despite the SOPF working with the Marathassa's insurer.

Derelict and abandoned vessels have been a problem in Nova Scotia, and have been responsible for 13 per cent of all claims paid by the SOPF. Probably the best-

known abandoned vessel in Nova Scotia was the M/V Miner, which ended up beached on Scatarie Island.

The retired bulk carrier was being towed from Montreal to a Turkish scrap yard when the tow line broke in heavy weather. The ship drifted to shore, and began to break up. The owner paid salvors to remove pollutants, until it ran out of money, then the federal government took over.

The province eventually paid \$14 million to remove the ship, with the final cost being several million dollars more than the estimates due to the presence of additional contaminants, including 800 liters of oil from the engine room.

The SOPF's mandate does not traditionally include wreck removal, however the payment of

the claim for the disposal of the Farley Mowat sets precedence for the province to claim cleanup costs related to the removal of the M/V Miner because doing so prevented future pollution.

Under the Oceans Protection Plan, the federal government has made funds available to deal with derelict and abandoned vessels. Including funds to CleanTech Renewables Ltd. of Sydney, to develop techniques to recycle fiberglass boats; \$41,000 to the Eastern Nova Scotia Marine Stewardship Society for education in the fishing industry; and, Nova Scotia Lands was given \$105,000 for an assessment of 30 vessels.

No Nova Scotia vessel removals have been funded to date.

Halterm announced the purchase of a super post-Panamax crane with an option on a second

for delivery in June 2020. Additional terminal equipment was also purchased. The new equipment will help the terminal make use of the new longer pier.

■ The Yantain Express tied up in Freeport, Bahamas, and was inspected and it was found that 460 containers are likely damaged, and 198 are a total loss. Costs are not yet known.

■ The Captain Jim, the workboat that sank off McNabs Island with the loss of deckhand Max Hinch, was raised by the Transportation Safety Board.

■ The ex-CCGS Matthew has finally been sold, and renamed the Miss M. J. The new owner is a numbered company in Newfoundland and Labrador and paid \$279,000 for the ship. It's currently listed for sale with a ship broker for US\$1.8 million.