

# WHITE PAPER SEAWAY NAVIGATION SEASON EXTENSION

#### 1. CURRENT SITUATION

## a) Montreal / Lake Ontario Section

Opening of the Seaway navigation season for the Montreal / Lake Ontario (MLO) section, in the last 5 years, ranged from March 22<sup>nd</sup> to April 1<sup>st</sup>, as announced in the second or third week of February of each year. The latest date was an overreaction to high-water levels in Lake Ontario that led to an outflow that made conditions unsafe for navigation.

## b) Welland canal

The Seaway has now completed its 5-year pilot project to extend the Welland Canal season by one week. During the pilot project, seasons opening dates were, as per existing practice, announced mid-February of each year and ranged from March 19<sup>th</sup> to April 1<sup>st</sup>, while closing dates were announced in November of each year and ranged from December 31<sup>st</sup> to January 9<sup>th</sup>.

Climate change has resulted in generally lighter ice conditions in the seaway system in recent years, which allowed the Seaway to consider extensions to the closing dates previously issued, these extensions were mainly announced in the 4<sup>th</sup> week of December. Late-season transits were charged to operators when utilizing the extension.

#### c) Sault Ste. Marie lock

Federal regulation on Navigation and Navigable Waters (<u>Title 33 CFR 207.440</u>) establishes March 25<sup>th</sup> as the opening date and January 15<sup>th</sup> as the closing date for Sault Ste. Marie (Soo) lock operating season. These dates are fixed, other than in the event of an emergency, as decided by the US Army Corps of Engineers (USACE).

#### 2. PROBLEMS REMAINING

Variable season opening and closing dates for the Seaway prevent accurate cargo planning and vessel scheduling, and therefore prevent companies from fully benefiting from any sort of season extension. This weighs into shippers' satisfaction and confidence in this supply chain. The advantages of marine shipping are in turn not fully exploited, including economic and environmental benefits from modal shift from rail and truck to marine, along with associated social benefits from less road congestion.

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#### 3. CMC'S PROPOSED SOLUTION

The CMC believes that real success can be achieved with predictability, as it is the only way that both shippers and ship owners can fully benefit from the extended season.

## a) Season opening

The CMC considers that a fixed navigation season opening date would be a great step towards achieving predictability for the industry. It is suggested that March 22<sup>nd</sup> be the yearly start of the season, which would not only assist in planning shipments but would remove the need for yearly notification (note: the season has opened as per established practice in recent years).

# b) Season closing

The CMC proposes to build on the success of the Welland Canal pilot project and support a phased implementation of additional pilot projects to align the navigation season closing with the regulated SOO lock closing date, as follows:

Section	Phase 1	Phase 2	Phase 3
	Jan 2019 - Jan 2024	Jan 2025 - Jan 2030	Jan 2031 - Jan 2036
Welland Canal	7-day extension to January 8th	Additional 7-day extension to January 15th	Welland Canal regular closing January 15th
Montreal – Lake Ontario		7-day extension to January 8th	Additional 7-day extension to January 15th

#### 4. CONSIDERATIONS TOWARDS THE SOLUTION

# a) Strategic partners

The suggested Seaway extension for the MLO and Welland to align the system with the season for the Soo Locks would benefit multiple actors outside of CMC, such as international shipping, non-CMC Canadian shipping, potential US shipping, Great Lakes ports, and both Seaway Corporations.

# b) Capacity

Ports and infrastructure would need to be available to support operations during the extension, including bridges, berths and personnel for cargo operations.

There would be a need to review the availability and cost of pilotage services, including costs for double pilotage.

Reliability and efficiency of transits would need to be ensured under any ice conditions. This may include additional icebreaking services for specific section of the Seaway, ice diversion and

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possibly additional ice control investments such as ice booms, air curtains, air bubblers, gate heating.

While an extension to the season would slightly compress timing for off-season Seaway maintenance, predictability for the closed season will assist in effective maintenance planning.

## c) First nations

The Seaway currently operates under an MoU with First Nations which may limit the season from extension past January 10<sup>th</sup> of every year. The Seaway may need to revise the MoU if the navigation season is extended beyond.

## d) Climate

Marine is the most carbon-efficient mode of transport. A Seaway extension would bring GHG reduction benefits for Canadian and U.S. domestic transportation emissions by prolonging marine transportation season and removing ground transportation off the roads and rails.

# e) Late Season Surcharges

To ensure the success of extended season operation and the predictability of the system the additional operating costs must be incorporated and recouped within the existing toll structures. Late season surcharges introduce uncertainty into Shipper's costs and discourage the full utilization of the system capacity.