

On August 18, 2016, the U.S. Environmental Protection Agency's Region 6 office issued the following Emergency Permit to Anglo-Eastern Ship Management Ltd. and Federal Oceans Ltd. to transport approximately 350 metric tons of Distiller's Dried Grains with Solubles (DDGS) from waters offshore of Morocco for disposal on the high seas in the waters of the Atlantic Ocean. Note that the emergency permit was not used because the DDGS was brought to shore in Morocco for land disposal, nevertheless the activity is being public noticed in compliance with the Marine Protection, Research and Sanctuaries Act.

U.S. ENVIRONMENTAL PROTECTION AGENCY
MARINE PROTECTION, RESEARCH, AND SANCTUARIES ACT
(OCEAN DUMPING) PERMIT

Permit Type: Emergency

Effective Date: August 18, 2016

Expiration Date: September 1, 2016

Applicant: Anglo-Eastern Ship Management Ltd.
 As Agents for and on behalf of Owners (Federal Oceans Ltd)
 23rd Floor
 248, Queen's Road East
 Wanchai
 Hong Kong

 TEL: + 852 28636111

Person or firm producing or processing the material proposed to be dumped:

Archer Daniels Midland Company
4666 Faries Parkway
Decatur, IL 62525
USA

Person or firm transporting the material for dumping:

Federal Oceans Ltd.
1st. Floor The Atrium
Haggatt Hall
St. Michael
BB11063
Barbados

Permittee(s):

Anglo-Eastern Ship Management Ltd.
23rd Floor
248, Queen's Road East
Wanchai
Hong Kong

AND

Anglo-Eastern Ship Management Ltd. (hereafter known as Anglo-Eastern
(Houston) LLC
As Agents for and on behalf of Owners.
C/O Anglo Eastern Houston LLC
10701 Corporate Drive
Ste 352
Stafford, TX 77477
USA

AND

Federal Oceans Ltd.
1st. Floor The Atrium
Haggatt Hall
St. Michael
BB11063
Barbados

I. ACTION

This is an emergency permit to authorize the permittee to transport approximately 350 metric tons (MT) of Distiller's Dried Grains with Solubles (DDGS) contained in a vessel moored off the coast of Morocco and to dispose of the DDGS on the high seas in the waters of the Atlantic Ocean. EPA has determined that an emergency has been demonstrated to exist, requiring the transport and the ocean dumping of this material, which currently poses an unacceptable risk relating to human health and there being no other feasible solution. Transport route is shown on Figure 1.

II. BACKGROUND

Under the ocean dumping regulations at 40 CFR 220.3(c), emergency permits may be issued for any materials except those prohibited by 40 CFR 227.5. Specifically, high-level radioactive wastes; materials produced or used for radiological, chemical or biological warfare; materials insufficiently described to permit application of the environmental impact

criteria of 40 CFR Part 227 Subpart B; and persistent inert synthetic or natural materials which may float or remain in suspension in the ocean in such a manner that they may interfere materially with fishing, navigation, or other legitimate uses of the ocean. When the Administrator or his/her delegee determines that there exists an emergency requiring the dumping of such materials, which poses an unacceptable risk relating to human health and admits of no other feasible solution.

Emergency permits may be issued for materials listed in 40 CFR 227.6, specifically, organohalogen compounds; mercury and mercury compounds; cadmium and cadmium compounds; oil of any kind or in any form; known or suspected carcinogens, mutagens, or teratogens, when present at greater than trace levels of contaminants only after consultation with the Department of State with respect to the need to consult with Parties to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (the London Convention) that are likely to be affected by dumping. DDGS is not, however, a material listed under 40 CFR 227.6.

As used in the ocean dumping regulations below, "emergency" refers to situations requiring action with a marked degree of urgency, but is not limited in its application to circumstances requiring immediate action.

Notice of every complete application for an emergency permit, including a tentative determination with respect to issuance or denial of the permit, must be published before the emergency permit is issued, except that no notice or tentative determinations are required in any case in which EPA determines:

- (1) that an emergency (as defined in 40 CFR 220.3) exists;
- (2) that the emergency poses an unacceptable risk relating to human health;
- (3) that the emergency admits of no other feasible solution; and
- (4) that the public interest requires the issuance of an emergency permit as soon as possible.

In such cases, appropriate notice shall be given as soon as practicable after the issuance of the emergency permit.

Whether before or after the permit is issued, notice must be given by publication in a daily newspaper of general circulation in the State in closest proximity to the proposed dump site and by publication in a daily newspaper or general circulation in the city in which is located the office of the Administrator or the Regional Administrator, as the case may be, giving notice. Given the location of the dump site in the high seas of the eastern Atlantic and because there is no single state in closest proximity with a newspaper of general circulation, EPA is not publishing notice of this permit in any newspaper.

III. FINDINGS

A. Description of the emergency

EPA has determined that there exists an emergency requiring the transportation and dumping/disposal of this material.

On August 15, 2016, Anglo-Eastern (Houston) LLC contacted the EPA requesting permission to dispose of approximately 350 MT of Distiller's Dried Grains with Solubles (DDGS), which has spoiled, into the eastern North Atlantic Ocean in waters outside the national jurisdiction of any country. The DDGS cargo was loaded on the M.V. FEDERAL SATSUKI at ADM Grain Company/New Orleans July 11-12, 2016, for transport to Casablanca, Morocco. On August 9, 2016, in Morocco, approximately 350 MT of spoiled DDGS cargo was found to be blackened and emanating a burning odor. Anglo-Eastern (Houston) LLC informed EPA that the port facility in Morocco will not accept the spoiled DDGS from the M.V. FEDERAL SATSUKI for disposal in a land-based facility. Since approximately August 9, the M.V. FEDERAL SATSUKI has been in anchorage offshore in Moroccan waters near Casablanca. On August 15, the temperature of the spoiled DDGS had risen to 80 degrees Celsius, posing a combustion risk. The rising temperatures of the DDGS cargo could weaken the ship's steel and therefore threatens (and continues to threaten) the safety of the vessel and the crew. The ship's crew is continuously monitoring the temperature of the hold containing the spoiled DDGS.

B. Risk relating to human health posed by the emergency

EPA has determined that this emergency poses an unacceptable risk relating to human health. Based upon the information provided by Anglo-Eastern (Houston) LLC, EPA has determined that the spoiled DDGS cargo represents a material with the serious potential to combust and, in turn, to damage the integrity of the vessel posing a unacceptable risk to the health of the ship's crew.

C. Evaluation of alternatives to dumping

EPA has determined that there is no other feasible solution to this emergency. Anglo-Eastern (Houston) LLC informed EPA that the port facility in Morocco will not accept the spoiled DDGS from the M.V. FEDERAL SATSUKI for disposal in a land-based facility. The M.V. FEDERAL SATSUKI is presently in anchorage offshore of Casablanca, Morocco and had planned to be transiting to the Netherlands in the near future. However, the applicant has communicated that the Government of Morocco will not authorize the vessel to leave the port area until a permit is issued by the United States for the disposal of the materials.

D. Notice

EPA has determined that the public interest requires the issuance of this emergency permit as soon as possible. There is a risk of damage to the vessel, and consequently to the crew (human life), if the waste is not removed. Although a notice of this permit will not be published in a newspaper as explained above, the permit will be available on EPA's website as soon as practicable after issuance of the permit.

E. Type and volume/quantity of material to be dumped

EPA has determined that the following material, and only the following material, may be ocean dumped of under this emergency permit:

Approximately 350 MT of DDGS. DDGS is the nutrient-rich co-product of dry-milled ethanol production. The use of DDGS as an animal feed ingredient is well documented as both an energy and a protein supplement.

EPA has determined that there are no materials listed in 40 CFR 227.6 present in the DDGS at levels greater than trace contaminants in the material to be dumped (or disposed of) in the ocean. Therefore, consultation with the Department of State was not required. EPA did, however, consult with the Department of State, which facilitated notification of the Moroccan, Portuguese, and Spanish governments.

F. Dump site

The M. V. FEDERAL SATSUKI is scheduled to leave Morocco and steam to the Netherlands. Anglo-Eastern Ship Management, Ltd. and Federal Oceans, Ltd. are authorized to transport the spoiled DDGC material on the M. V. FEDERAL SATSUKI to a location at least 200 nm from the Moroccan shoreline, outside the national jurisdiction of all other countries, and outside of any MARPOL special areas and marine protected areas, and is authorized begin ocean disposal of the DDGS. Dumping is authorized to occur as the vessel proceeds toward the Netherlands until all the DDGS has been dumped overboard but will cease dumping before the M.V. FEDERAL SATSUKI is 200 miles from the Netherlands or any other country along the transit route.

Specifically, dumping is authorized as the ship transits between the following two points and only as it transits between these two points:

Within 5 nm of - Latitude 037° 27' N

Longitude 015° 33' W

Within 5 nm of - Latitude 047° 13' N

Longitude 012° 17' W

Disposal along this transit line as noted on the map below, between these two points, will ensure that the dumping takes place over 200 nm from the nearest shore.

G. Expected consequences of the dumping

DDGS is organic material of natural origin. The disposal of this material in the manner and location selected is not anticipated to result in any significant adverse impact on the marine environment, navigation, living and non-living marine resource exploitation, scientific study, recreation, or the uses of the ocean. The material is expected to float shortly after dumping and to sink upon saturation. Additionally, disposal activities will be spaced to ensure only minimal and short-term turbidity impacts occur along the transit route. The material was fumigated after loading in the United States with aluminum phosphide to control rodents. Once the vessel reached Morocco and the hold was opened, the remaining phosphine gas residues created by the fumigant was released to the atmosphere. The fumigation process had concluded, as evidenced by the fact that crew entered the hold. The DDGS loaded on the M.V. FEDERAL SATSUKI was declared by the vendor, ADM Grain Company, to be “a marine non-pollutant and not an EHS (environmentally hazardous substance), for which cargo residues can be disposed at sea.”

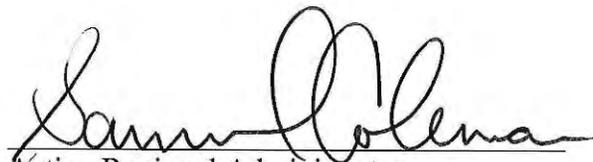
IV. TERMS AND CONDITIONS OF THE EMERGENCY PERMIT

1. This permit authorizes the transportation and dumping into ocean waters of the materials listed in paragraph 3 below pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, 33 U.S.C. 1401, et seq., (“MPRSA”), including 33 U.S.C. 1412a to the extent applicable, subject to the terms and conditions set forth herein. All transportation and dumping authorized herein shall at all times be undertaken in a manner consistent with this permit.
2. For purposes of this permit, the applicant, the person or firm producing or processing the material proposed to be dumped (or disposed of), and the person or firm transporting the material for dumping/disposal are all considered “the permittee” and are each such co-permittee responsible for compliance with this permit.
3. The permittee is authorized to transport and dispose only the approximately 350 MT of DDGS described in the permit application (including any aluminum phosphide fumigation residues) currently held in cargo hold number 4 of the M.V. FEDERAL SATSUKI. This material shall not be altered in its content from this description by the addition of any wastes from any other sources. This material shall not be intentionally incinerated at sea.
4. The material listed in paragraph 3 shall be dumped along the path of the M.V. FEDERAL SATSUKI on a transect described in paragraph F at least 200 nm from the Moroccan shoreline, outside the national jurisdiction of all other countries, and outside of any MARPOL special areas and marine protected areas. Dumping will occur as the vessel proceeds toward the Netherlands until all the DDGS has been disposed but will cease dumping before the M.V. FEDERAL SATSUKI is 200 nm from the Netherlands or any other country along the transit route (see Figure 1).
5. The material listed in paragraph 3 shall be transported for dumping through or from the following port: Casablanca, Morocco.
6. The material listed in paragraph 3 shall be conveyed by ship’s crane and bucket system over the side of the vessel as the M.V. FEDERAL SATSUKI is transiting at a speed of approximately 10 – 12 knots. Further, each bucket disposal activity (hereafter referred to as a “disposal activity”) should be spaced such that each disposal activity is at least 10 nm from the previous disposal activity. All disposal activities shall be photographed and each disposal activity site coordinates graphically plotted by latitude and longitude. All findings shall be included as a reporting requirement identified in paragraph 11 below.
7. This permit is effective on August 18, 2016 and expires on September 1, 2016.
8. The permittee shall observe and provide evidence of all disposal activities and note whether the material floats after dumping and if so for what period of time. The evidence shall include, but not be limited to, photographs. The permittee shall photograph all disposal activities at the location where each disposal activity releases the spoiled DDGS into the sea, including photographs of the DDGS upon contact with the sea surface and again as the released DDGS trails behind the ship and out of view. The purpose of these photographs is to document the ocean dumping to the maximum extent possible, regardless of whether the DDGS floats or sinks.

9. While disposal operations are ongoing, the permittee shall notify any vessels approaching within a nautical mile of the M. V. FEDERAL SATSUKI that the vessel is disposing of spoiled cargo and has restricted navigational requirements.
10. Transportation to, and dumping at, any location other than that authorized by this permit shall constitute a violation of the MPRSA and this permit. Transportation and dumping of any materials not specifically identified, or in excess of that identified, in this permit shall constitute a violation of the MPRSA and this permit. Intentional incineration at sea of the material shall constitute a violation of the MPRSA and this permit.
11. The permittee shall maintain records of the following information, which will be available for inspection by EPA or the U.S. Coast Guard: (1) the physical composition and characteristics of the disposed material; (2) the times and locations of each disposal activity; (3) any other information required as a condition of this permit, including observations required under paragraph 8 above.
12. The permittee shall submit a report on the dumping activities authorized by this permit to Marcus Zobrist (Zobrist.Marcus@epa.gov) within 30 days after the expiration date of this permit. The report shall include the records maintained under Part IV of the permit.
13. A copy of this permit shall be placed in a conspicuous place in the vessel used for the transportation and dumping operations authorized by this permit.
14. This permit may be modified or revoked, in whole or in part, for causes including, but not limited to, the following: (1) violation of any term or condition of the permit; (2) misrepresentation, inaccuracy, or failure by the permittee to disclose all relevant facts; or (3) a change in any condition or material fact upon which this permit is based that requires either a temporary or permanent reduction or elimination of the authorized transportation or dumping.
15. This permit does not apply to, because no permit is required for, the dumping of material into ocean waters in an emergency to safeguard life at sea consistent with the International Convention on the Safety of Life at Sea to the extent that the permittee files a timely reports as provided by 40 CFR 224.2(b).

V. FOR FURTHER INFORMATION

For further information on this permit, please contact Marcus Zobrist (phone – (202) 564 8311, email - Zobrist.Marcus@epa.gov).



Acting Regional Administrator

Samuel Coleman, P.E.

August 18, 2016

