



Office of the Administrator of the Ship-source
Oil Pollution Fund

Bureau de l'administrateur de la Caisse
d'indemnisation des dommages dus à la
pollution par les hydrocarbures causée par les
navires

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OFFER LETTER

Ottawa, 7 February 2024
SOPF File: 120-975-C1
CCG File:

BY EMAIL

Manager, Operational Support
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Via email to [DFO.CCGERCostRecoveryRSP-
RecouvrementdescoutsIESIPGCC.MPO@df-mpo.gc.ca](mailto:DFO.CCGERCostRecoveryRSP-RecouvrementdescoutsIESIPGCC.MPO@df-mpo.gc.ca)

RE: WILF SEYMOUR — Canal de Beauharnois, Quebec
Incident date: 2018-11-27

SUMMARY AND OFFER

[1] This letter responds to a submission from the Canadian Coast Guard (the “CCG”) with respect to the tug WILF SEYMOUR (the “Vessel), which grounded on or about 27 November 2018, near Canal de Beauharnois, Quebec (the “Incident”).

[2] On 10 November 2023, the office of the Administrator of the Ship-source Oil Pollution Fund (the “Fund”) received a submission from the CCG on behalf of the Administrator. The submission advanced claims totaling \$3,893.03 for costs and expenses arising from measures taken by the CCG to respond to the Incident.

[3] The submission has been reviewed and a determination with respect to its claims has been made. This letter advances an offer of compensation to the CCG pursuant to sections 101 and 103 of the *Marine Liability Act*, SC 2001, c 6 (the “MLA”).

[4] The amount of \$3,893.03 (the “Offer”), plus statutory interest to be calculated at the time the Offer is paid and in accordance with section 116 of the MLA, is offered with respect to this claim.

[5] The reasons for the Offer are set forth below, along with a description of the CCG's submission.

THE SUBMISSION RECEIVED

[6] The submission includes a narrative that describes events relating to the Incident. It also includes a summary of the costs and expenses that the CCG claims and corroborating documents. To the extent that the narrative and corroborating documents are relevant to the determination, they are reviewed below.

The narrative

[7] According to the narrative, on 27 November 2018, the CCG was notified that the vessel grounded near Canal de Beauharnois due to a mechanical issue. The hull was breached, and the vessel was taking on water. The vessel contained approximately 10 tons of diesel fuel.

[8] The CCG mobilized seven personnel to monitor the situation and the owner's response plan. The owner communicated with St. Lawrence Seaway Management Corporation to send an inspector to assess the rudder failure. Transport Canada also sent an inspector, who ordered the vessel be held until the rudder was repaired.

[9] The owner cooperated with CCG personnel and other relevant partners to create a plan to pump out the water and repair the rudder. The CCG assessed and approved the plan.

[10] On 29 November 2018, the plan was successfully executed, and the pollution risk was eliminated. That concluded the CCG operation.

Cost summary

[11] The CCG submission summarizes the claimed costs as follows:

Schedule	Cost claimed (\$)
1. Material and supplies	Nil
2. Contract services	Nil
3. Travel	Nil
4. Salaries – Full time personnel	3,305.01
5. Overtime – Full time personnel	507.61
6. Other allowances	Nil
7. Salaries – Casual personnel	Nil
8. Ship costs (excluding fuel & overtime)	Nil
9. Ship propulsion fuel	Nil
10. Aircraft	Nil

Schedule		Cost claimed (\$)
11.	Pollution countermeasures equipment	Nil
12.	Vehicles	Nil
13.	Administration	80.41
Total claim		3,893.03

Figure 1: Screen capture of the claim cost summary

DETERMINATIONS AND FINDINGS

The CCG submission presents potentially eligible claims under section 103 of the MLA

[12] The Incident resulted in oil pollution damage suffered, or the threat of such damage, within the territorial seas or internal waters of Canada, as well as in costs and expenses to carry out measures to mitigate further damage. As a result, claims arising from the Incident are potentially eligible for compensation.

[13] The CCG is an eligible claimant for the purposes of section 103 of the MLA.

[14] The submission arrived prior to the limitation periods set out under subsection 103(2) of the MLA.

[15] Some of the claimed costs and expenses arise from what appear to be reasonable measures taken to “prevent, repair, remedy or minimize” oil pollution damage from a ship, as contemplated under Part 6, Division 2 of the MLA, and are therefore potentially eligible for compensation.

[16] Accordingly, the submission presents claims that are potentially eligible for compensation under section 103 of the MLA.

Findings on the evidence submitted by the CCG

The facts of the Incident as set out by the CCG are generally accepted

[17] This description of the material events in the CCG narrative is accepted as generally accurate.

The Vessel posed a pollution threat and some of the measures taken are admissible

[18] The vessel had 10 tons of diesel fuel on board. After grounding, the vessel was taking on water, which was flowing to the reservoirs. This was an oil pollution threat that needed to be addressed.

CLAIM AND OFFER DETAILS

[19] The CCG presented its claimed costs and expenses to the Fund across three schedules, each of which is outlined below.

[20] Under Part 7 of the MLA, the measures taken to respond to an oil pollution incident and the resulting costs must be reasonable in order to be compensable by the Fund. To the extent that reasons are not already set out in this letter, the sections below explain why certain portions of the CCG's claim have been allowed while others have been decreased.

[21] The costs claimed by the CCG include personnel time and overhead associated with CCG personnel attending the incident site, and then monitoring the owner's incident response. The claimed costs are modest and in line with the threat posed. They, as well as the associated administrative costs, are all allowed without reduction.

OFFER SUMMARY AND CLOSING

[22] The following table summarizes the claimed and allowed expenses:

Schedule	Cost claimed (\$)	Offer \$
1. Material and supplies	Nil	Nil
2. Contract services	Nil	Nil
3. Travel	Nil	Nil
4. Salaries – Full time personnel	3,305.01	3,305.01
5. Overtime – Full time personnel	507.61	507.61
6. Other allowances	Nil	Nil
7. Salaries – Casual personnel	Nil	Nil
8. Ship costs (excluding fuel & overtime)	Nil	Nil
9. Ship propulsion fuel	Nil	Nil
10. Aircraft	Nil	Nil
11. Pollution countermeasures equipment	Nil	Nil
12. Vehicles	Nil	Nil
13. Administration	80.41	80.41
Total claim	3,893.03	3,893.03

Table 1 – Summary of amounts claimed and allowed.

[23] Costs and expenses in the amount of \$3,893.03 are accepted and will be paid together with statutory interest calculated at the date of payment if the Offer is accepted.

[24] In considering this Offer, please observe the following options and time limits that arise from section 106 of the MLA. You have 60 days upon receipt of this Offer to notify the undersigned whether you accept it. You may tender your acceptance by any means of

communication by 16:30 Eastern Time on the final day allowed. If you accept this Offer, payment will be directed to you without delay.

[25] Alternatively, you have 60 days upon receipt of this Offer to appeal its adequacy to the Federal Court. If you wish to appeal the adequacy of the Offer, pursuant to Rules 335(c), 337, and 338 of the *Federal Courts Rules*, SOR/98-106 you may do so by filing a Notice of Appeal on Form 337. You must serve it upon the Administrator, who shall be the named Respondent. Pursuant to Rules 317 and 350 of the *Federal Courts Rules*, you may request a copy of the Certified Tribunal Record.

[26] The MLA provides that if no notification is received by the end of the 60-day period, you will be deemed to have refused the Offer. No further offer will be issued.

[27] Finally, where a claimant accepts an offer of compensation, the Administrator becomes subrogated to the claimant's rights with respect to the subject matter of the claim. The claimant must thereafter cease any effort to recover its claim, and further it must cooperate with the Fund in its subrogation efforts.

Yours sincerely,

Chiamaka Mogo, MPPGA
Deputy Administrator, Ship-source Oil Pollution Fund