

LEADERSHIP & IMPACT



2023 ANNUAL REPORT



The American
Waterways Operators

The Tugboat, Towboat & Barge Industry Association

LEADERSHIP & IMPACT

Our industry has long been defined by our service as a pillar of the nation's supply chain, creating positive impact for our economy and national security since the Founding, and demonstrating leadership and resilience in the face of challenges along the way. So it is no surprise that while 2023 saw its share of turbulence, the people of our industry once again stepped up to continue delivering that impact and keep our country moving.

Having started my own career in this industry as a deckhand and worked my way up to captain before continuing shoreside, I've seen firsthand that generating this impact takes everybody – every employee from the deckplate to the C-suite, in companies large and small from across the country. That recognition also guided AWO's approach to the past year, where we sought to generate results that supported the work of everyone in our industry, because every teammate in every role is critical to our collective strength.

In that spirit, we took on substantial challenges, seized opportunities and achieved important milestones in 2023.

- We logged the second lowest fatality rate ever recorded by the Coast Guard-AWO Safety Partnership and tackled complex and challenging safety issues like sexual harassment, cannabis testing, and mariner wellness.
- We intensified our state advocacy work, playing offense and defense from New Hampshire to Illinois to California.
- We made significant progress in implementing the Board-approved recommendations of the CEO Sustainability Task Force and positioning our industry as a proactive partner in sustainable transportation.
- We produced resources and sponsored educational forums to help grow our workforce amidst a persistent labor shortage.
- And throughout these efforts, we created and seized opportunities to tell our industry's powerful story to policymakers and the public in impactful, innovative ways.

“...we took on substantial challenges, seized opportunities and achieved important milestones in 2023.”





As our industry's advocate, resource and united voice, AWO was critical to moving us forward and creating positive impact in 2023, at a time when uncertainty and disruption continued to define our operational landscape. The pages that follow highlight some of the many achievements resulting from our work together throughout the year.

AWO's effectiveness depends on member engagement, and that means fostering a culture of inclusivity that welcomes diverse perspectives from all voices across our membership. When we learn from each other and work together, we create a stronger industry that will contribute to our country's vitality for years to come.

Thank you for the honor of serving as your Chairman.

A handwritten signature in blue ink that reads "Rick Iulucci".

Rick Iulucci

The Vane Brothers Company
Chairman of the Board



COLLECTIVE EFFORT, SHARED SUCCESS

Led by a dedicated Board of Directors, fueled by an energetic and engaged membership, and guided by our member-developed strategic plan, AWO entered 2023 optimistic about the future while clear-eyed about the challenges ahead.

And while 2023 was indeed a year of challenges, on both the policy and the operational fronts, it was also a year of progress and accomplishment, as the pages of this annual report make clear. The events of 2023 also underscored the many ways in which our old industry has never been more relevant – as a security partner at a time of intensifying global conflict and geopolitical competition with China; as a critical part of the supply chain as we confronted extreme low water and other disruptions to navigation; as a safety leader that continues to outperform other transportation modes; as a responsible partner and a key part of the solution to improving the sustainability of the U.S. transportation system; and as an outstanding source of high-quality career paths for Americans from all walks of life.





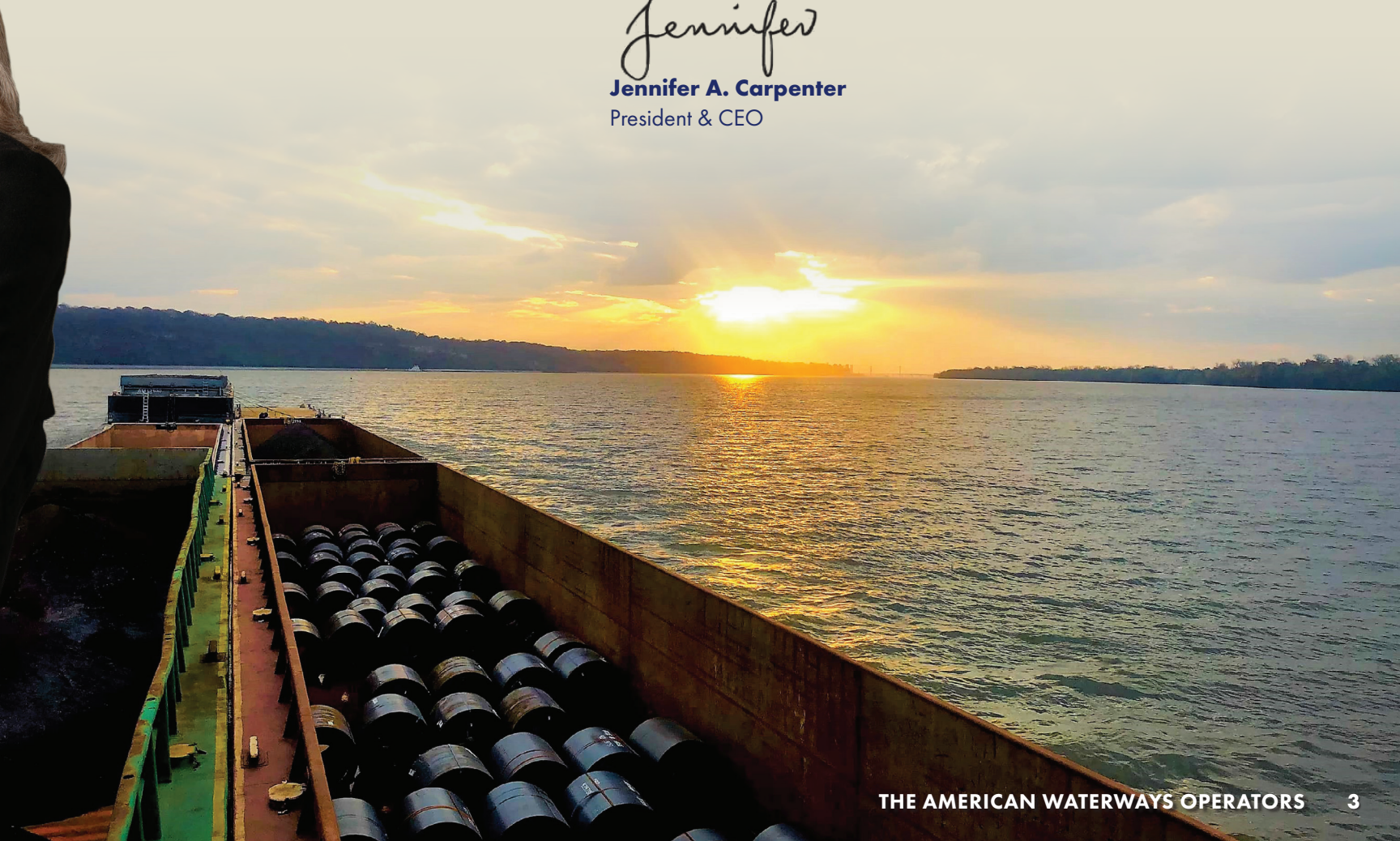
Throughout the year, we benefited tremendously from the active engagement of members of all sizes and a committed Board of Directors that both led and served, providing strategic direction and resources; acting as the vanguard of AWO's advocacy, safety, and public affairs initiatives; and strengthening AWO's culture and living our values by listening deeply, learning from one another, and seeking to build consensus while respecting and offering diverse perspectives.

Thank you for being part of our journey in 2023, and for your contributions to AWO's work as our industry's advocate, resource, and united voice for safe, sustainable and efficient transportation on America's waterways, oceans and coasts.

As always, it is a privilege to work with you and for you,

A handwritten signature in cursive script that reads "Jennifer".

Jennifer A. Carpenter
President & CEO



Your Advocate

- **Defeated an unnecessary Jones Act waiver request** to move crude oil between Louisiana and Texas, ensuring the job was done by U.S. tank barges.
- Worked with **allies to defeat anti-Jones Act amendments by resounding votes** in the House Transportation & Infrastructure Committee.
- **Challenged a CBP ruling** that could have allowed foreign-flag vessels to transport cargo between offshore wind sites and secured a **new ruling upholding consistent application of the Jones Act**.
- Championed **pro-Jones Act** resolutions in Kentucky, Louisiana, and Washington state, bringing to 8 the number of states where similar resolutions have been adopted.
- Led coalition efforts to **defeat anti-Jones Act legislation** in Alaska, Hawaii, New Hampshire, New Jersey, and Pennsylvania.
- Launched the **Board-approved sustainability action plan** to promote greater use of marine transportation, improve ports and waterways system efficiency, and support members' initiatives to reduce greenhouse gas emissions.
- Initiated a multi-pronged effort to ensure **practical implementation of new statutory requirements** to prevent harassment, sexual harassment and sexual assault.
- **Mitigated the impacts of historic low water** by engaging the Army Corps of Engineers and Coast Guard on operational actions through the River Industry Executive Task Force.
- Worked with the Corps and Coast Guard to assess successes and failures of low water actions to **better prepare for and respond to future events**.



- Secured Coast Guard **update of ATB guidance** that was 40 years out-of-date to protect the safety and continuity of modern ATB operations.
- Secured indefinite **Coast Guard approval of the AWO Alternative Planning Criterion for emergency towing**, eliminating the burden and uncertainty of a 5-year renewal process.
- Secured new EPA guidance requiring **state No Discharge Zone applications to evaluate the impact** on commercial vessel operations.
- Secured Coast Guard agreement that **towing vessel operators do not have to provide notification** when putting a vessel into temporary inactive status.
- Secured **Department of Transportation approval of oral fluids testing** as an alternative method for DOT-required drug screening.
- **Challenged unsafe bridge operations** and initiated high-level collaboration with the Coast Guard on **regulating movable and remotely operated bridges**.
- Secured **rejection of a hazardous dock permit** in Vicksburg and pressed the Corps and Coast Guard to ensure a robust **Navigation Safety Risk Assessment** before considering the CEMUS dock permit.
- Secured Coast Guard **clarification on Designated Examiner requirements** to improve consistency and maximize approval of qualified mariners.
- Secured **Coast Guard approval for more practical alternatives** to line throwing appliances and flares under Subchapter M.
- Worked with the Coast Guard to **propose Pacific Coast navigation fairways** that support safe barge and towing vessel operations.



- Worked with coalition partners to **defeat Illinois legislation to impose new regulations and costs** on companies seeking construction permits.
- Led coalition effort to secure an **EPA hearing and regulatory process** to review California’s harbor craft engine emissions rule.
- Secured changes to California’s Carl Moyer Program to **give members improved access to grant funding** for vessel repowering.
- Secured **Washington state funding for a pumpout** at the Port of Anacortes to aid compliance with the Puget Sound NDZ.
- **Defeated a \$0.41/gallon diesel fuel fee** in Washington state.
- Protected Missouri River navigation by **preventing future construction** of fish habitat structures that would have impeded safe vessel operations.
- Helped **defeat a Hawaii bill to complicate industry practice** for the mooring of towing vessels.
- Secured measures to **protect maritime and industrial land uses** in Seattle from encroachment.
- Executed the **largest Barge-In ever**, with 145 AWO participants meeting 227 Congressional offices to discuss key industry issues.
- Through AWO PAC, delivered **\$213,500 in political impact and hosted four political impact events** to broaden and deepen relationships with key Members of Congress.

■ SPOTLIGHT ON: STATE ADVOCACY

It is challenging to wage a battle on multiple fronts, but that is exactly what is required when advocating for our industry’s priorities across dozens of states. Despite this challenge, and thanks to robust member engagement and new resources, 2023 was a year of results. From progress on the California Air Resources Board’s Commercial Harbor Craft Rule to passage of pro-Jones Act resolutions in state legislatures, AWO had a bigger impact on state-level policymaking than ever in 2023.



Throughout the year, we played offense as well as defense on a range of emerging state issues, aided greatly by the addition of a full-time Director of State Advocacy to the AWO staff, fulfilling a key recommendation of the member-led States of Concern Task Force. In Louisiana, Kentucky and Washington, we secured the passage of pro-Jones Act resolutions, and in New Hampshire, Alaska, Hawaii, New Jersey, and Pennsylvania, we defeated harmful anti-Jones Act legislation. In Illinois AWO worked alongside partners to defeat a bill that would have imposed new regulations and costs on companies seeking construction permits, and in Washington, we helped secure funding for a pumpout facility to aid compliance with the Puget Sound No Discharge Zone.





In California, the commercial harbor craft rule was a major focus, with AWO staff and members visiting over 30 legislative offices in Sacramento, testifying before lawmakers, and finding wins in creative ways, like convincing the state to expand availability of funding resources for engine replacement. AWO also worked with Assemblymember Jasmeet Bains, who has taken up the mantle of fixing this dangerous rule, introducing legislation to make needed changes to the regulation.

From Washington to Illinois to New Hampshire to Louisiana to Hawaii, when AWO and our members speak up, state and local policymakers listen. AWO is leveling up our state advocacy in every corner of the country. Thanks to increased member engagement and investment, and lots of grit and determination, our industry continues to punch above our weight at the state level.



YOUR RESOURCE

- Launched **new online resource library** with over 115 safety, compliance, and other resources accessible to member company employees.
- Chartered the **AWO-OCIMF North American Safety Working Group** and secured AWO **representation on a SIRE program working group** to improve efficiency and reduce inspection program costs.
- Held **20 Coast Guard sector/MSU meetings with members** to strengthen Coast Guard-industry relationships and resolve local operational challenges.
- Presented the **American Waterways HERO award** to more than 175 mariners in recognition of heroic rescues that demonstrate selflessness, skill, and bravery.
- Clarified SMS requirements for members to **improve flexibility while maintaining high safety standards.**
- Established **High Value Near Miss collection program** to facilitate information-sharing among members.
- Convened **CEO Safety Focus Group to discuss lessons for our industry** from the catastrophic East Palestine, OH train derailment.
- Launched the **Mariner Workforce Forum virtual series** to support members in managing mariner recruitment, retention, and advancement challenges.
- Launched the Sustainability Resources webpage to **connect members with federal and state funding opportunities.**
- Established the **Sustainability Tech Working Group** to support members in adopting new technologies.
- Established the **Deck Barge Working Group** to share best practices and address the unique challenges of deck and material barge operators.
- Published **six state one-pagers** to support industry advocacy and public affairs initiatives.
- Implemented **improved onboarding process** to engage members in the AWO community from the start of their membership.
- Produced **30 member testimonial videos** on the value of AWO membership and a carrier benefits one-pager to **strengthen and grow the association.**



■ SPOTLIGHT ON: **TELLING OUR INDUSTRY STORY**

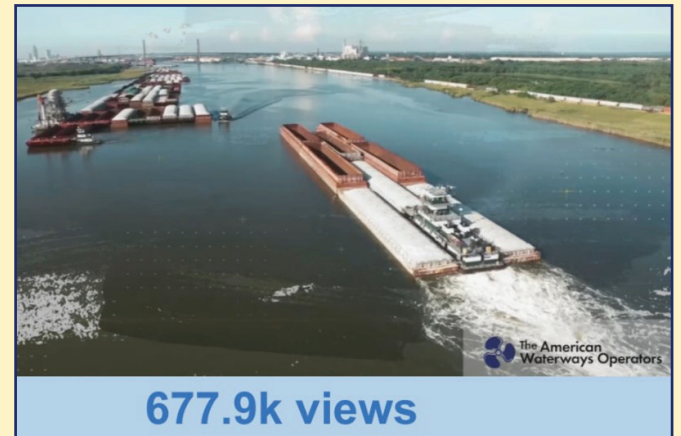
2023 was a year of far-reaching, next-level impact in telling the story of our industry's vital contributions to our nation's economy, security, supply chain and quality of life.

Throughout the year, we increased the use of video in our social media programming, where we highlighted original Reels and TikToks, and in standalone products like our video on sustainability leadership. The sustainability video, the first in an ongoing series focusing on specific areas of industry impact, combines real-world images and graphic design and has generated over 675,000 views.

On media and public speaking engagements, we reached more corners of the press and public than ever before, amplifying our industry's story through over 70 media appearances including interviews, op-eds, podcast episodes, and a press conference with Congresswoman Nicole Malliotakis. AWO members and staff leaders were featured in press outlets like USA Today, the Boston Herald, Milwaukee Journal Sentinel, PBS NewsHour, and the Associated Press, and maintained a strong industry presence in the trade press. AWO leaders also spoke at over a dozen events on a wide range of topics throughout the year.

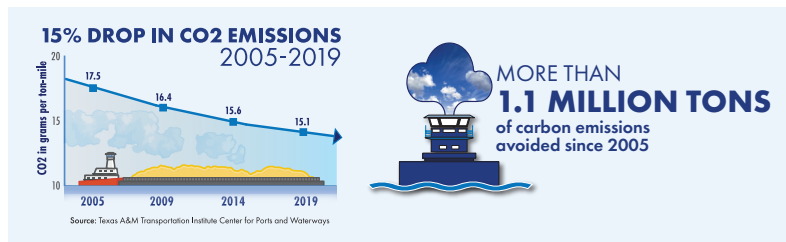
On social media, we embraced the reality that the only constant is change and worked hard to further establish our presence on a greater variety of social media platforms, harness new trends and reach new audiences. We made strategic use of social media ads to get great bang for our buck and amplify key messages, ran successful campaigns like the #ProudtobeTTB campaign showcasing the people of our industry, and increased our use of high-quality graphics.

We also took our industry's story directly to government policymakers. We created and distributed a "digital orientation packet" for Congress and the Biden administration, including data and infographics on our industry's economic and environmental impact, a link to our signature industry video, and more. Working alongside members, we elevated the quantity and creativity of our storytelling in 2023, and greatly expanded the reach of our messaging while helping to shape a favorable environment for our advocacy, safety, sustainability, and workforce priorities. We are excited to continue exploring new opportunities to share our industry's story – your story – far and wide.



YOUR **United Voice**

- Produced a **video highlighting members' sustainability leadership** that has generated over 675,000 views on social media.
- Developed graphics **showcasing the industry's greenhouse gas reductions.**



- Produced **over 70 media and public affairs appearances** to raise the industry's profile and advance its priorities, including:
 - Raising **public awareness and support** for the Jones Act through op-eds about pro-Jones Act resolutions in Washington and Kentucky.
 - Generating **media attention to safety and supply chain concerns** created by California's commercial harbor craft rule.
 - Highlighting our **industry's safety culture** through press coverage of the American Waterways HERO Awards.
 - Demonstrating **industry career opportunities** through a press conference with Rep. Nicole Malliotakis (R-NY) and New York AWO members.
 - Showcasing the **industry's economic, supply chain, and workforce contributions** through a feature interview with the AWO Chairman on a popular New Orleans Public Radio podcast.
 - Going **head-to-head with Jones Act opponents** to rebut misinformation in a misleading broadcast about the law.

- Strengthened coalition relationships and advanced shared policy priorities through **speaking engagements at industry conferences and virtual forums.**
- Distributed a **digital orientation packet** to Members of Congress and Biden Administration officials on the industry's economic, safety, security, and environmental benefits.
- Worked with members to **host 17 tugboat and towboat tours** to give federal, state, and local officials a firsthand look at industry operations.
- Hosted **five episodes of the American Maritime Podcast** to amplify industry messaging with podcast audiences and strengthen relationships with policymakers and other guests.
- Launched the Proud to be TTB social media campaign, featuring **videos of industry employees sharing why they love their careers.**
- Secured **correction to erroneous statement on Federal Railroad Administration website** identifying rail as safest freight transportation mode.



■ SPOTLIGHT ON: SAFETY

2023 was a year of achievement in building on our industry's strong safety record and continuous improvement as we undertook initiatives and forged new partnerships toward an even safer tugboat, towboat and barge industry.

AWO members' strong and longstanding commitment to safety is evident in the data. This year's Coast Guard-AWO Safety Partnership Report shares the remarkable numbers – including the second-lowest recorded crewmember fatality rate per 100,000 full-time employees, the lowest spill volume from tank barges recorded by the Partnership since 2010, and the second-lowest spill volume ever. Data from the AWO Safety Statistics Reporting Program reflects improvements as well, with injuries, fatalities, falls overboard, and spill counts all trending down.

In 2023 we launched the American Waterways HERO Award to recognize individuals who take part in rescues. These men and women exemplify bravery and safety-consciousness, serving as shining examples of the value of safety culture and the positive impact our industry has on public safety. AWO members are not only prioritizing and delivering on operating safely themselves, but also actively making the waterways a safer place for all.

Collaboration with government and private-sector stakeholders was also a major focus. Increased engagement with partners like OCIMF, the International Liquid Terminals Association, and others helped us identify and advance shared safety goals. Our partnership with the Maritime Administration advanced AWO's work on near-miss collection and leading indicators, and our High Value Near Miss collection program served as a tool for information-sharing among members to prevent harm to mariners, the public, the environment, and property.

Within AWO and across our industry, 2023 saw continuing focus on building a strong safety culture – by working toward tangible safety results; recognizing the heroism of the men and women who make up our workforce; looking outward to work with partners toward shared safety goals; and expanding and leveraging safety resources for our members.



■ SPOTLIGHT ON: SUSTAINABILITY

In 2023, AWO worked to build on our status as the greenest and most fuel-efficient mode of freight transportation in the United States. It was a pivotal year for elevating our industry's position as a sustainability leader, by advocating for sound public policy; fostering relationships with government stakeholders and coalition partners; supporting all AWO members on their individual sustainability journeys; and telling our positive sustainability story proudly to policymakers and the public.

Guided by the Board-approved recommendations of the CEO Sustainability Task Force, we advocated for policies that encourage a shift toward transporting freight by water to reduce overall emissions from the transportation sector,

and that emphasize investment in waterways infrastructure to maximize the efficiency of marine transportation. We also fought to prevent or modify policies, like California's commercial harbor craft rule, that force specific technologies and impose unworkable timelines or regulatory patchworks.

Partnership and coalition building feature prominently in our sustainability strategy. We prioritized fostering and building new relationships, and dove into collaborative work with industry partners, manufacturers, and government stakeholders to find common ground and advance our priorities. We worked closely with key players like OCIMF, the Blue Sky Maritime Coalition, engine manufacturers, and suppliers and distributors of alternative fuels.



Recognizing that every member's sustainability journey is different, we also sought to channel and develop resources to help members of all sizes and sectors, from all parts of the country, make progress in a way that best fits their operational profile. We pursued policies making financial resources available for emission-reduction efforts and developed webpages and information-sharing forums to keep members informed about funding opportunities, best practices and educational resources.

Telling our industry's sustainability story – our environmental advantages over other modes, our commitment to continuous improvement, our vision for the future – was and remains critical

to keeping momentum going and securing our place as leaders in the national sustainability conversation. Throughout 2023 we focused heavily on expanding the reach of our sustainability messaging through opeds, media interviews, conference addresses, infographics, and development of a video that generated over 675,000 views on social media.

As the sustainability landscape continues to evolve, AWO's work in 2023 has laid a vital foundation in solidifying our industry's role as a proactive sustainability leader and partner in the years ahead.





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