

**FOR IMMEDIATE RELEASE:**



**EPA and USCG facilitate TOTE's groundbreaking move to convert its vessels to alternative fuels**

**Federal Way • Tacoma, WA – August 3, 2012** - Totem Ocean Trailer Express (TOTE) has received a permit providing a conditional waiver from the current Emissions Control Area (ECA) fuel sulfur content requirements of MARPOL Annex VI regulation 14.4 while the company pursues conversion of its vessels to alternative fuels. The permit was issued by the United States Coast Guard (USCG) under authority provided in Regulation 3 of Annex VI.

This permit is the product of a public-private partnership among TOTE, the United States Environmental Protection Agency (EPA) and the USCG. It will enable TOTE to develop and convert its two ORCA-class vessels, already the “greenest” ships in the U.S. domestic fleet, to the use of Liquefied Natural Gas (LNG) as their primary fuel source. The conversion will advance technology and accelerate the use of natural gas as a cleaner domestic energy source.

“When the Orca class vessels were delivered in 2003, they were purpose-built to serve the Alaska market and exceeded all regulatory and environmental standards. Post LNG conversion, the Orca vessels will again set a new standard for environmental responsibility. These changes will provide benefits to the residents of Alaska well into the 21<sup>st</sup> century,” said John Parrott, President of TOTE.

To TOTE's knowledge, this will be the first conversion in the world of vessels of this type. In addition to exceeding the sulfur reduction goals of ECA by 95 percent, when the TOTE ships are converted, they will achieve significant emissions reductions in all other categories of emissions: particulate matter (PM), nitrogen oxide (NO<sub>x</sub>) and carbon dioxide (CO<sub>2</sub>); making these ships among the cleanest in the world. More importantly, these broader benefits will continue to accrue and compound over the next thirty years or longer. The shore side LNG infrastructure that is to accompany TOTE's plan may help other transportation industries in Puget Sound follow TOTE in converting to LNG. This could result in a significant increase in air quality throughout the Puget Sound region.

“This is the first permit issued under the Annex VI, Regulation 3 program, and it is tangible evidence that when committed organizations join together, innovative solutions can result,” said Phil Morrell, Vice President of Marine and Terminal Operations at TOTE.

The comprehensive project will also lead to the establishment of long-term supplies of LNG for use by other sectors of the transportation industry in the Puget Sound region. The project will extend environmental benefits throughout the region by breaking through supply barriers that have constrained the growth of LNG in the transportation industries.

“We are very pleased that the EPA and Coast Guard share our vision for LNG use aboard our vessels, and were willing to work with us to make it a reality. I would like to particularly recognize the diligent and professional staff of the EPA and USCG for their hard work on this project,” said Parrott.



While TOTE believes that proving the effectiveness of LNG in large commercial operations will have long-lasting benefits for the U.S. maritime industry and for the entire Puget Sound region, it is also focused on the benefits for its customers. Conversion to LNG assures long-term access to lower-cost sources of energy, enabling TOTE to provide economical service to the people of Alaska for many years to come. This project is consistent with TOTE's core philosophies that reflect a deep commitment to the environment and to the communities it serves. TOTE is proud to once again be seen as a leader in the U.S. maritime industry.

**About Totem Ocean Trailer Express, Inc.**

Totem Ocean Trailer Express, Inc. (TOTE) is one of six operating companies owned by TOTE, Inc., a subsidiary of Saltchuk Resources of Seattle, WA. The privately-owned shipping company has operated roll-on/roll-off cargo vessels between the ports of Tacoma, Washington, and Anchorage, Alaska, since 1975. For more information on TOTE, please visit [www.totemocean.com](http://www.totemocean.com).

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