



**Ship and Rail
Compensation Canada**
Ship Fund

**Indemnisation
Navire et Rail Canada**
Fonds Navire

OFFER LETTER

Ottawa, 7 November 2025
SOPF File: 120-1060-C1

BY EMAIL

Director
Service de sécurité incendie Lac-Simon
Municipality of Lac-Simon
544 Chemin du Tour-Du-Lac
Lac-Simon, Québec J0V 1E0

Via email to 911@lac-simon.net

RE: Unknown name (Lac-Simon, pleasure craft) – Lac Simon, Québec
Incident Date: 2025-07-09

SUMMARY AND OFFER

- [1] Ship and Rail Compensation Canada is an independent federal office, financed by industry, which helps manage two compensation funds: the Ship Fund and the Rail Fund. Ship and Rail Compensation Canada is the joint operating name for the two Funds. The Ship Fund helps manage the Ship-source Oil Pollution Fund, established by the *Marine Liability Act*, SC 2001, c 6 (the “MLA”).
- [2] This letter responds to a submission from the Service de sécurité incendie Lac-Simon (SSILS) de la municipalité de Lac-Simon (“Municipality”) for an incident involving an unknown pleasure craft (“Vessel”) which potentially spilled diesel or oil in Lac-Simon (“Incident”).

- [3] On 16 July 2025, the Ship Fund received a claim from the Director of the Lac-Simon Fire Safety Services (“LSFSS”). The submission advanced a claim for costs and expenses arising from measures taken by the LSFSS to respond to the Incident.
- [4] 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 LSFSS pursuant to sections 105 and 106 of the *Marine Liability Act*, SC 2001, c 6 (“MLA”).
- [5] The amount of **\$2,187.99** (“Offer”), plus statutory interest calculated at the time the Offer is paid, and in accordance with section 116 of the MLA, is offered with respect to this claim. The reasons for the Offer are set forth below, along with a description of the submission.

THE SUBMISSION RECEIVED

- [6] The claim submission includes the completed a narrative that describes events relating to the Incident, a summary of the costs and expenses that the Council claims, and corroborating evidence. To the extent that the narrative and corroborating information are relevant to the determination, they are reviewed below.

Narrative Summary

- [7] According to the narrative, on 9 July 2025 at approximately 1217h, the LSFSS was activated through the 911 System that there was oil in the water in Lac-Simon alongside the wharf near 112, chemin du Manoir.
- [8] A total of six firefighters responded to the incident with one fire truck. When the LSFSS arrived on site, they observed the sunken Vessel surrounded by an oily sheen. They were advised by the owner that the lights on the boat had been left on, draining the battery. Unable to power the bilge pump, the boat took on water and went down. There is no description of the boat (length, engine type, construction) beyond “pleasure boat.”
- [9] The six LSFSS personnel worked to recover oil from the water with sorbents and to raise the Vessel using pumps. The use of sorbents and their cost was not mentioned in the claim; however, the oil removal statement appeared credible.
- [10] Three LSFSS personnel were on site for approximately four hours with the remaining three personnel on site for 9-hours. Operations ended at 2100h the same day. It is assumed that the Vessel was turned over to the owner so that it could be removed from the water and subsequently repaired.
- [11] There is no indication as to how much product was involved or recovered. Given the identification that the Vessel was potentially a “wake boat,” it is highly probable that gasoline and engine lube oil were the products involved.

[12] The level of contamination was likely minimal and that residuals dispersed. However, the Incident did result in a Lac-Simon water quality advisory to be issued by the Municipality.

Cost Summary

[13] The LSFSS submission summarizes the claimed costs in three parts, as follows:

Schedule	Costs Claimed
1 – Salaries	\$883.80
2 – Vehicles	\$1,200.00
3 – Administration	\$104.19
TOTAL	\$2,187.99

Table 1: Summary of amounts claimed.

DETERMINATIONS AND FINDINGS

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

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

[15] The LSFSS is an eligible claimant under section 103 of the MLA.

[16] The submission was received within the limitation periods set out under subsection 103(2) of the MLA.

[17] 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. Alternatively, those costs and expenses arise from “preventive measures,” as contemplated under the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001. In either case, some of the claimed costs and expenses are potentially eligible for compensation.

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

Findings on the evidence submitted by the LSFSS

[19] The description of the material events in the LSFSS narrative is accepted as generally accurate.

CLAIM AND OFFER DETAILS

[20] The LSFSS presented its claimed costs and expenses in three parts.

[21] Under Part 7 of the MLA, the measures taken to respond to an oil pollution incident and the resulting costs must be reasonable and established in the evidence in order to be compensable by the Ship Fund. To the extent that reasons are not already set out in this letter, the sections below elaborate.

1 - Salaries **Claimed: \$883.80**

[22] A total of six (6) LSFSS personnel were involved in the response operation. Their hourly rates and their time on site are found to be reasonable and established in the evidence. The use of the assets and the rates are also found to be reasonable and established.

[23] The costs incurred for the LSFSS personnel are accepted in full.

2 – Vehicles **Claimed: \$1,200.00**

[24] The Municipality used one fire truck, a pollution response vessel, and other vehicles. The rates are found to be reasonable and established.

[25] The costs incurred for the use of vehicles are accepted in full.

3 –Administration **Claimed: \$104.19**

[26] The Municipality applied a 5% administrative fee which is also found to be reasonable and established.

[27] The administrative fees are accepted in full.

OFFER SUMMARY AND CLOSING

The following table summarizes the claimed and allowed expenses:

Schedule	Costs Claimed	Accepted
1 – Salaries	\$883.80	\$883.80
2 – Vehicles	\$1,200.00	\$1,200.00
3 – Administration	\$104.19	\$104.19
TOTAL	\$2,187.99	\$2,187.99

Table 2: Summary of amounts claimed and accepted.

- [28] Costs and expenses in the amount of **\$2,187.99** are accepted and will be paid together with statutory interest calculated at the date of payment if the Offer is accepted.
- [29] In considering this Offer, please observe the following options and time limits that arise from section 106 of the MLA.
- [30] 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.
- [31] 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.
- [32] 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.
- [33] Finally, when 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 Ship Fund in its subrogation efforts.

Yours sincerely,

Caroline Healey, LL.B., J.D., MBA
Chief Executive Officer, Ship and Rail Compensation Canada and
Administrator of the Ship Fund and the Rail Fund