



OFFER LETTER

Ottawa, 18 December 2025
SOPF File: 120-1050-C1

VIA EMAIL

Mohawk Council of Kahnawake, Public Safety Division
c/o Emergency Management Officer
Public Safety
Post Office Box 720
Kahnawake, Quebec J0L 1B0

**RE: M/V *Heemskerkgracht* — South Shore Canal,
Kahnawake, Quebec
Incident date: 22 August 2024**

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 Mohawk Council of Kahnawake (the “MCK”) with respect to a roughly 138-metre cargo vessel known as the *Heemskerkgracht*. The vessel lost power on or about 22 August 2024 and grounded near Kahnawake, Quebec (the “Incident”). The MCK responded alongside the vessel’s owner and other agencies. The vessel was ultimately refloated and towed away.

[3] On 22 April 2025, the Ship Fund received a submission from the MCK. The submission advanced a claim under the MLA totaling \$10,304.00 for costs and expenses arising from measures taken by the MCK to respond to the Incident. On 3 and 16 July 2025, following discussions with the Ship Fund, the MCK revised and reduced its claim to \$1,838.00.

[4] The submission has been reviewed and determinations with respect to it have been made. In accordance with sections 105 and 106 of the MLA, this letter advances an offer of compensation to the MCK. The amount of \$1,838.00 (the “Offer”) is offered with respect to this claim. If the Offer is accepted, accrued interest will be calculated in accordance with section 116 of the MLA to the date of payment. The reasons for the Offer are set forth below, along with a description of the relevant portions of the submission.

THE SUBMISSION RECEIVED

[5] The submission includes a narrative that describes events relating to the Incident. It also includes documents supporting the MCK’s claimed costs, all of which are associated with deployment on 22 August 2024.

DETERMINATIONS AND FINDINGS

[6] The paragraphs that follow summarize the relevant findings made with respect to the Incident and the MCK’s response thereto. Those findings are based on the documentation originally submitted, supplemental submissions, and some investigatory work.

Summary of the Incident and the MCK’s response thereto

[7] At approximately 18:35 on 22 August 2024, the *Heemskerkgracht* lost power while transiting downriver under the conduct of a pilot and grounded in the South Shore Canal of the St. Lawrence Seaway, near the Kahnawake Marina. The vessel was carrying a cargo of scrap steel. It also carried significant quantities of hydrocarbons for its propulsion and general operation.

[8] At 19:05, the vessel’s pilot reported that tank soundings had been undertaken and confirmed that no ingress of water or release of pollution had occurred. Soundings of the tanks were undertaken by the crew at regular intervals thereafter. At 19:30, the pilot reported that the vessel was in a secure position, with anchors deployed. The *Heemskerkgracht* had come to rest diagonally, blocking the entire South Shore Canal. The St. Lawrence Seaway Management Corporation concluded that leaving the vessel in place overnight posed minimal risk, as the Seaway had been closed to vessel traffic.

[9] A survey on 23 August 2024 reported damage to the vessel’s bow and stern but confirmed that no water ingress had occurred. A salvage plan was approved, and the vessel was refloated and towed away by two tugs the following morning.

[10] MCK personnel were among the first on scene following the Incident, having received numerous reports of the grounding from local residents and the nearby marina. The Canadian Coast Guard also deployed personnel to the scene. Though MCK personnel were involved until the *Heemskerkgracht* was refloated, its revised claim seeks compensation only with respect to costs incurred on 22 August 2025. Those costs are briefly summarized as follows:

- a. \$1,064.00 for two Kahnawake Peacemaker (MCK police) personnel to take reports and liaise with relevant authorities;
- b. \$400.00 for two MCK public safety personnel to attend the scene of the Incident; and
- c. \$374.00 for three MCK environmental specialists to assess risks and report on vulnerabilities.

The claim submission is admissible

[11] The MCK is an eligible claimant, and its claim was submitted within the applicable limitation period. The Incident resulted in at least some threat of oil pollution from a ship in the territorial sea or internal waters of Canada.

[12] The amounts sought by the MCK represent costs associated with responding to a ship-source oil pollution incident. Such amounts may be eligible for compensation.

[13] Therefore, the claim is admissible under section 103 of the MLA, subject to determinations that the claimed costs were reasonably incurred for the purpose of mitigating oil pollution damage.

The claim is sufficiently supported and is accepted in full

[14] On the evidence presented, it is accepted that all of the costs sought by the MCK as part of its revised claim are compensable. The *Heemskerkgracht* grounded on MCK territory, and any discharge of oil from the vessel would have put that territory at risk. Though it was quickly determined that the oil pollution threat from the grounded vessel was very low, that could not have been known by the MCK without at least some investigation. Furthermore, the MCK responded in part to reports from concerned citizens, which would not have arisen but for the Incident.

[15] It is concluded that the MCK response was directed, at least in part, toward reasonable concerns of oil pollution from a ship. It is further concluded that the claimed costs were reasonable in light of those concerns. Accordingly, the claimed costs are accepted in full.

OFFER SUMMARY AND CLOSING

[16] Costs and expenses in the amount of \$1,838.00 are accepted and will be paid together with statutory interest calculated at the date of payment if the Offer is accepted.

[17] In considering this Offer, please observe the following options and time limits that arise from section 106 of the MLA.

[18] 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.

[19] 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 in 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.

[20] 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.

[21] 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 for 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