

Subpart B—Application for a License

§ 148.100 What is the purpose of this subpart?

This subpart describes how to apply for a license to own, construct, and operate a deepwater port.

§ 148.105 What must I include in my application?

Your application must include the information required by this section.

(a) *General.* For each applicant, affiliate, and consultant:

(1) The name, address, telephone number, citizenship, and principal business activity of the applicant and its affiliates;

(2) The name, address, and principal business activity of each subsidiary, division of the applicant, or its affiliates that participated in the decision to apply for a license to build a deepwater port;

(3) A description of how each affiliate is associated with the applicant, and of the ownership interest each affiliate has in the applicant;

(4) A list of the applicant's corporate officers and directors, and each affiliate that participated in the decision to apply for a license;

(5) A statement for each applicant or affiliate, providing complete and detailed information on any civil or criminal legal proceeding during the preceding 5 years that relates to, or that could materially affect, information in the license application; and,

(6) A declaration by the applicant that neither the applicant nor its affiliate has engaged in any lobbying activities that are prohibited by 31 U.S.C. 1352 or any other applicable Federal anti-lobbying statute.

(b) *Experience in matters relating to deepwater ports.* (1) A description of the applicant's, affiliate's, and consultant's experience in offshore operations, particularly operations involving the transfer and storage of liquid cargo, and the loading and unloading of vessels.

(2) For each affiliate that has a significant contract with the applicant for construction of the deepwater port, a description of that affiliate's experience in construction of marine ter-

restrial facilities, offshore structures, underwater pipelines, and seabed foundations; in addition to a description of other experiences that would bear on the affiliate's qualification to participate in the construction of a deepwater port.

(c) *Engineering firms.* For each engineering firm, if known, that will design the deepwater port or a portion of the port, the application must include the firm's:

- (1) Name;
- (2) Address;
- (3) Citizenship;
- (4) Telephone number; and
- (5) Qualifications.

(d) *Citizenship and operating authority.* For each applicant or group of applicants, provide:

(1) An affidavit that the applicant is a citizen of the United States;

(2) For State agency applicants, the law authorizing the applicant to undertake the operations detailed in the application;

(3) For private corporation applicants, the current charter or certificate of incorporation and current by-laws; and affidavits of U.S. or foreign citizenship from the president, chairman of the board, and each director or their equivalents; for limited liability companies, the equivalent organizational documents, and affidavits from the members of the Board of Managers, and members; and

(4) For partnerships, including limited liability partnerships, or associations not formed or owned solely by individual citizens of the United States, the certificate of formation; the partnership agreement or articles of association; the current by-laws; the minutes of the first board meeting; and affidavits of U.S. or foreign citizenship from the president and each director, or their equivalents.

(e) *Address for service of documents.* The name and address of one individual who may be served with documents if a formal hearing is held concerning the application, and the name and address of one individual who may receive other documents.

(f) *Location and use.* The proposed location and capacity of the deepwater

port, a general description of the anticipated use of the port, and whether access will be open or closed.

(g) *Financial information.* (1) For the applicant, each affiliate with an ownership interest in the applicant of greater than 3 percent, and affiliates which have a direct contractual relationship with the deepwater port:

(i) Annual financial statements, audited by an independent certified public accountant, for the previous 3 years, including, but not limited to, an income statement, balance sheet, and cash flow statement with footnote disclosures prepared according to U.S. Generally Accepted Accounting Principles; provided, however, that the Commandant (CG-5), in concurrence with MARAD, may waive this requirement upon finding:

(A) That the affiliate does not, in the normal course of business, produce audited statements; and

(B) That the affiliate is part of a larger corporate group whose audited statement provides sufficient information to support an adequate assessment of the affiliate's relationship with and impact on the applicant; and

(ii) Interim income statements and balance sheets for each quarter that ends at least 30 days before submission of the application, unless it is included in the most recent annual financial statement.

(2) An estimate of construction costs, including:

(i) A phase-by-phase breakdown of costs;

(ii) The estimated completion dates for each phase; and

(iii) A preliminary estimate of the cost of removing all of the deepwater port marine components, including pipelines that lie beneath the seabed. The operator of a deepwater port is responsible for the costs associated with removal of all port components. Should a license be granted, MARAD will require a bond, guarantee, or other financial instrument to cover the complete cost of decommissioning as a condition of the license.

(3) Annualized projections or estimates, along with the underlying assumptions, for the next 5 years and at reasonable intervals throughout the

life of the deepwater port, of each of the following:

(i) Total oil or natural gas throughput, and subtotals showing throughput owned by the applicant and its affiliates and throughput owned by others;

(ii) Projected financial statements, including a balance sheet and income statement; and

(iii) Annual operating expenses, showing separately any payment made to an affiliate for any management duties carried out in connection with the operation of the deepwater port.

(4) A copy of all proposals or agreements concerning the management and financing of the deepwater port, including agreements relating to throughputs, capital contributions, loans, guarantees, commitments, charters, and leases.

(5) The throughput reports for the calendar year preceding the date of the application, for the applicant and each of the applicant's affiliates engaged in producing, refining, or marketing oil or natural gas and natural gas liquids, along with a copy of each existing or proposed throughput agreement. Each throughput report must list the throughput of the following products:

(i) Crude oil; and if crude oil is the only product the port is designed to transport, the throughput report may be limited to reporting crude oil;

(ii) Gasoline;

(iii) Jet aviation fuel;

(iv) Distillate fuel oils;

(v) Other refinery products;

(vi) Natural gas; and

(vii) Natural gas liquids.

(h) *Construction contracts and construction-related studies.* (1) A copy of each contract that the applicant made for the construction of any component of the deepwater port or for the operation of the port.

(2) A listing and abstract of:

(i) All completed or ongoing studies on deepwater ports conducted by or for the applicant; and

(ii) All other construction-related studies used by the applicant.

(3) The identity of each contractor, if known, that will construct or install the deepwater port or a portion of the port, including each firm's:

(i) Name;

(ii) Address;

- (iii) Citizenship;
- (iv) Telephone number; and
- (v) Qualifications.

(i) *Compliance with Federal water pollution requirements.*

(1) Evidence, to the extent available, that the requirements of section 401(a)(1) of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1341(a)(1), will be satisfied. If complete information is not available by the time MARAD must either approve or deny the application under 33 U.S.C. 1504(i)(1), the license for the deepwater port is conditioned upon the applicant demonstrating that the requirements of section 401(a)(1) of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1341(a)(1), will be satisfied.

(2) In cases where certification under 33 U.S.C. 1341(a)(1) must be obtained from the Environmental Protection Agency Administrator, the request for certification, and pertinent information, such as plume modeling, related to the certification.

(j) *Coastal zone management.* A request for each certification required by section 307 of the Coastal Zone Management Act of 1972, 16 U.S.C. 1456, as amended.

(k) *Identification of lease block.* (1) Identification of each lease block where any part of the proposed deepwater port or its approaches is located. This identification must be made on official OCS leasing maps or protraction diagrams, where available. Each map and diagram must be certified by a professional surveyor. For each lease block, provide the following:

(i) A description of each pipeline, or other right-of-way crossing, in enough detail to allow plotting of the rights-of-way to the nearest one-tenth of a second in latitude and longitude; and

(ii) The identity of the lessee or grantee of each pipeline or other right-of-way.

(2) Detailed information concerning any interest that anyone, including the applicant, has in each block.

(3) Detailed information concerning the present and planned use of each block.

(l) *Overall site plan.* Single-line drawings showing the location and type of each component of the proposed deep-

water port and its necessary facilities, including:

- (1) Floating structures;
- (2) Fixed structures;
- (3) Aids to navigation;
- (4) Manifold systems; and
- (5) Onshore storage areas, pipelines, and refineries.

(m) *Site plan for marine components.* A site plan consisting of the following:

(1) The proposed size and location of all:

(i) Fixed and floating structures and associated components seaward of the high water mark, only if the proposal does not involve a connected action, for example, installation of new pipeline extending inshore of the state boundary line;

(ii) Recommended ships' routing measures and proposed vessel traffic patterns in the port area, including aids to navigation;

(iii) Recommended anchorage areas and, for support vessels, mooring areas; and

(2) A reconnaissance hydrographic survey of the proposed marine site. This survey should provide data on the water depth, prevailing currents, cultural resources, and a general characterization of the sea bottom. A requirement to submit an engineering hydrographic survey of the final marine site will be imposed as a condition in the license. The latter survey will require more extensive analysis of the soil, and detailed study to determine its physical composition, such as minerals, and if the sea bottom can support fixed components comprising a deepwater port. The applicant may submit existing data, gathered within the previous 5 years, but it must be supplemented by field data for the specific locations in which a high degree of variability exists.

(n) *Soil data.* An analysis of the general character and condition of the ocean bottom, sub-bottom, and upland soils throughout the marine site. The applicant may use existing data, so long as it was collected within the last 5 years and continues to provide accurate information about conditions

throughout the site. If not, a new survey must be completed to provide supplemental data. The analysis must include an opinion by a registered professional engineer specializing in soil mechanics concerning:

(1) The suitability of the soil to accommodate the anticipated design load of each marine component that will be fixed to or supported on the ocean floor; and

(2) The stability of the seabed when exposed to environmental forces resulting from severe storms or lesser forces that occur over time, including any history of accretion or erosion of the coastline near the marine site.

(o) *Archeological information.* An analysis of the information from the reconnaissance hydrographic survey by a qualified underwater archeologist to determine the historical or other significance of the area where the site evaluation and pre-construction testing activities were conducted. The analysis must meet standards established by the Minerals Management Service for activities on the OCS, or an alternative standard that has been submitted to and approved by the Coast Guard. The survey must include the areas potentially affected by the deepwater port, or any other associated platforms, and its pipeline route(s).

(p) *Vessel information.* (1) The nation of registry for, and the nationality or citizenship of, officers and crew serving on board vessels transporting natural gas that are reasonably anticipated to be servicing the deepwater port; and

(2) Description of the information that will be provided in the operations manual pertaining to vessel operations, vessel characteristics, and weather forecasting.

(q) *Information on floating components.* (1) A description and preliminary design drawing of each floating component, including the hoses, anchoring or securing structure, and navigation lights if the component is a mooring buoy.

(2) The criteria, developed under part 149 of this chapter, to which each floating component will be designed and built.

(3) The design standards and codes to be used.

(4) The title of each recommended engineering practice that will be applied.

(5) A description of safety, fire-fighting, and pollution prevention equipment to be used on each floating component.

(6) A description of the lighting that will be used on floating hoses, for night detection.

(r) *Information on dedicated fixed offshore components.* (1) A description and preliminary design drawing for each dedicated fixed offshore component.

(2) The design criteria, developed under part 149 of this chapter, to which each fixed offshore component will be designed and built.

(3) The design standards and codes to be used.

(4) The title of each recommended engineering practice to be followed.

(5) A description of the following equipment that will be installed:

(i) Navigational lighting;

(ii) Safety equipment;

(iii) Lifesaving equipment;

(iv) Firefighting equipment;

(v) Pollution prevention equipment, excluding response equipment which must be outlined in the facility response plan; and

(vi) Waste treatment equipment.

(6) A description and preliminary design drawing of the following:

(i) The cargo pumping equipment;

(ii) The cargo piping system;

(iii) The control and instrumentation system; and

(iv) Any associated equipment, including equipment for oil or natural gas throughput measuring, leak detection, emergency shutdown, and the alarm system.

(7) The personnel capacity of each deepwater port pumping platform complex.

(s) *Refurbished OCS facilities and co-located fixed offshore components.* (1) A description and preliminary design drawing for each such facility or component.

(2) The design criteria, developed under part 149 of this chapter, to which each facility or component will be designed and built or modified;

(3) The design standards and codes to be used;

(4) The title of each recommended engineering practice to be followed;

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(5) A description of the following equipment to be installed or refurbished:

- (i) Navigational lighting;
- (ii) Safety equipment;
- (iii) Lifesaving equipment;
- (iv) Firefighting equipment;
- (v) Pollution prevention equipment, excluding response equipment which must be outlined in the facility response plan;
- (vi) Waste treatment equipment; and
- (vii) Cathodic protection.

(6) A description and preliminary design drawing of the following:

- (i) The cargo pumping equipment;
- (ii) The cargo piping system;
- (iii) The control and instrumentation system; and
- (iv) Any associated equipment, including equipment for oil or natural gas throughput measuring, leak detection, emergency shutdown, and the alarm system.

(7) The personnel capacity of each deepwater port pumping platform complex.

(t) *Information on offshore pipelines.* (1) A description and preliminary design drawing of the marine pipeline, including:

- (i) Size;
- (ii) Throughput capacity;
- (iii) Length;
- (iv) Depth of cover; and
- (v) Protective devices.

(2) The design criteria to which the marine pipeline will be designed and built.

(3) The design standards and codes to be used.

(4) The title of each recommended engineering practice to be followed.

(5) A description of the metering system that will measure flow rate.

(6) Information concerning all submerged or buried pipelines that will be crossed by the offshore pipeline, and how each crossing will be made.

(7) Information on the pipeline that will connect to the port, including a detailed analysis that shows throughput and capacity rates of all pipelines involved in the transport of product to shore.

(u) *Information about onshore components.* To the extent known by the applicant:

(1) A description of the location, capacity, and ownership of all planned and existing onshore pipelines, storage facilities, refineries, petrochemical facilities, and transshipment facilities that will be served by the deepwater port. Crude oil or natural gas gathering lines and lines wholly within a deepwater port must be included in data about onshore components only if specifically required. Entry points and major connections between lines and with bulk purchasers must be included.

(2) A chart showing the location of all planned and existing facilities that will be served by the port, including:

- (i) Onshore pipelines;
- (ii) Storage facilities;
- (iii) Refineries;
- (iv) Petrochemical facilities; and
- (v) Transshipment facilities.

(3) A copy of all proposals or agreements with existing and proposed refineries that will receive oil transported through the deepwater port, the location and capacity of each such refinery, and the anticipated volume of such oil to be refined by each such refinery.

(v) *Information on miscellaneous components.* (1) A description of each radio station or other communications facility to be used during construction and operation of the deepwater port and its proposed concept of operation.

(2) A description of the radar navigation system to be used in operation of the deepwater port outlined in the operations manual.

(3) A description of the method that will be used for bunkering vessels using the deepwater port.

(4) A brief description of the type, size, and number of vessels that will be used in bunkering, mooring, and servicing the vessels using the deepwater port.

(5) A description and location of the shore-based support facilities, if any, that will be provided for vessels that will be used in bunkering, mooring, and servicing the vessels using the deepwater port; or that serve as offices or facilities in support of the deepwater port operations.

(6) A copy of the actual radio station license, or, if not available, a copy of the application sent to the Federal Communications Commission, if available.

(w) *Construction procedures.* A description of the method and procedures to be used in constructing each component of the deepwater port, for example shoreside fabrication, assembly and support, including anticipated dates of completion for each specific component during each phase of construction.

(x) *Operations manual.* A draft of the operations manual for the proposed port, containing the information under §150.15 of this chapter, must demonstrate the applicant's ability to operate the port safely and effectively. To the extent that circumstances are similar, this demonstration can be in the form of evidence appended to the draft operations manual of the applicant's participation in the safe and effective management or operation of other offshore facilities, for example, evidence of compliance with Mineral Management Service requirements for those facilities. If the information required for the manual is not available, state why it is not and when it will be available.

(y) *Risk and consequence assessment.* Data to support an independent, site-specific analysis to assess the risks and consequences of accidental and intentional events that compromise cargo containment. At minimum, potential events that result in liquefied natural gas or oil spill, vapor dispersion and/or fire will be analyzed. The Coast Guard will utilize validated models, for example computational fluid dynamics or an equivalent model. The applicant may consult with Commandant (CG-5) to ensure that appropriate assessment procedures are used.

(z) *Environmental evaluation.* An analysis, sufficient to meet the requirements of the National Environmental Policy Act, and as outlined in subpart G of this part, of the potential impacts on the natural and human environments, including sufficient information that complies with all applicable Federal, tribal, and State requirements for the protection of the environment.

(aa) *Aids to navigation.* (1) For each proposed aid to navigation, the proposed position of the aid, described by latitude and longitude coordinates to the nearest second or tenth of a second, as determined from the largest scale chart of the area in which the aid is to

be located. Specify latitude and longitude to a level obtained by visual interpolation between the finest graduation of the latitude and longitude scales on the chart.

(2) For each proposed obstruction light and rotating lit beacon:

- (i) Color;
- (ii) Characteristic;
- (iii) Effective intensity;
- (iv) Height above water; and
- (v) General description of the illumination apparatus.

(3) For each proposed sound signal on a structure, a general description of the apparatus.

(4) For each proposed buoy:

- (i) Shape;
- (ii) Color;
- (iii) Number or letter;
- (iv) Depth of water in which located; and
- (v) General description of any light and/or sound signal apparatus on the buoy.

(5) For the proposed radar beacon, or RACON, height above water and a general description of the apparatus.

(bb) *National Pollutant Discharge Elimination System (NPDES).* A copy of the NPDES Application for Permit to Discharge Short Form D, for applying for a discharge permit from the Environmental Protection Agency (EPA) and any accompanying studies and analyses. If complete information is not available by the time MARAD must either approve or deny the application for a designated application area under 33 U.S.C. 1504(i)(1), the license for the deepwater port is conditioned upon the applicant receiving the required discharge permit from the EPA before the start of any discharge requiring such a permit. The issuance of the permit demonstrates that all potential water discharges have been satisfactorily analyzed and water quality control measures implemented to mitigate discharges to meet NPDES.

(cc) *Structures' placement and the discharge of dredged or fill material.* The information required to obtain a Department of the Army permit for placement of structures and the discharge of dredged or fill material.

(dd) *Additional Federal authorizations.* All other applications for Federal authorizations not listed elsewhere in

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this subpart that are required for ownership, construction, and operation of a deepwater port.

(ee) *Sworn statement.* A statement that the information in the application is true must be placed at the end of the application, sworn to before a notary public, and signed by a responsible applicant official.

§ 148.107 What additional information may be required?

(a) The Commandant (CG-5), in coordination with MARAD, may require the applicant or the applicant's affiliates to file, as a supplement to the application, any analysis, explanation, or other information he or she deems necessary.

(b) The Commandant (CG-5) may require the applicant or the applicant's affiliates to make available for Coast Guard examination, under oath or for interview, persons having, or believed to have, necessary information.

(c) The Commandant (CG-5) may set a deadline for receiving the information.

(1) If the applicant states that the required information is not yet available but will be at a later date, the Commandant (CG-5) may specify a later deadline.

(2) If a requirement is not met by a deadline fixed under this paragraph, the Commandant (CG-5), in coordination with MARAD, may determine whether compliance with the requirement is important to processing the application within the time prescribed by the Act.

(3) If the requirement is important to processing the application within the time limit set by the Act, the Commandant (CG-5) may recommend to the Maritime Administrator that he or she either not approve the application or suspend it indefinitely. The deadline for the Administrator's review under the Act is extended for a period of time equal to the time of the suspension.

§ 148.108 What if a Federal or State agency or other interested party requests additional information?

(a) Any Federal or State agency or other interested person may recommend that the applicant provide in-

formation that is not specified by this subchapter.

(b) Recommendations must state briefly why the information is needed.

(c) The Commandant (CG-5) must receive the request prior to the closing dates for the comment periods for scoping, and the draft or final environmental impact statement or environmental assessment. MARAD will consider the request before making a final decision on whether or not to approve the license application.

(d) The Commandant (CG-5) will consider whether:

(1) The information requested is essential for processing the license application; and

(2) The time and effort required by the applicant in gathering the information will result in an undue delay in the application process.

(e) The Commandant (CG-5) may discuss the recommendation with the recommending person and the applicant prior to issuing a determination.

§ 148.110 How do I prepare my application?

(a) Any person may confer with the Commandant (CG-5) concerning requirements contained in this rule for the preparation of an application or the requirements of this subchapter.

(b) The applicant may incorporate, by clear and specific reference in the application:

(1) Standard reference material that the applicant relied on that is readily available to Federal and State agencies;

(2) Current information contained in previous applications or reports that the applicant has submitted to the application staff; or

(3) Current information contained in a tariff, report, or other document previously filed for public record with the Surface Transportation Board or the Securities and Exchange Commission, if:

(i) A certified true and complete copy of the document is attached to each copy of the application as required by § 148.115(a);

(ii) The date of filing and the document number are on the cover of the document; and