U. S. Coast Guard Role and Process for LNG

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Commanding Officer Sector NNE;
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Port Facility Security Officer;
Federal On Scene Coord (FOSC)
Search and Rescue Coordinator

USCG Role

- Ø To Assess the suitability of a waterway for Liquefied Natural Gas (LNG) marine traffic.
- Non-Partisan Mandated by congress to ensure that vessels and facilities engaged in transferring regulated cargo, do so in accordance with the prescribed regulations.

USCG and FERC

- Ø FERC is responsible for authorizing, siting, and construction of onshore LNG facilities.
- Ø The USCG is required to participate with FERC in an Environmental Impact Statement (EIS).
- The USCG will provide FERC its findings relative to the suitability of the waterway before a final decision is made.

USCG Regulations for LNG Facilities

33 Code of Federal Regulations Part 127 (Waterfront Facilities Handling Liquefied Natural Gas)

33 CFR 127.007 – Letter of Intent (LOI): Submitted at least 60 days before construction, by the owner who intends to build a new facility.



Letter of Intent (Cont)

Ø The LOI must contain:

- Owner and operator information, physical location of the facility.
- Name, address, and telephone number of the facility.
- A description of the facility.
- LNG Vessel characteristics and frequency of shipments to or from.



Letter of Intent (Cont)

Navigational charts showing:

- Channels
- Identifying commercial
- Industrial
- Environmentally sensitive & residential areas
- All that are adjacent to or within the waterway used by vessels enroute to the facility within 15.5 miles of the facility.



Waterway Suitability Assessment (WSA)

- Ø Navigation Vessel Inspection Circular (NVIC) 05-05: GUIDANCE ON ASSESSING THE SUITABILITY OF WATERWAY FOR LIQUIFIED NATURAL GAS (LNG) MARINE TRAFFIC. http:// www.uscg.mil/hq/g-m/nvic/index00.htm#2005
- Ø This WSA is a detailed guide to the USCG role in developing an LOR.

Advisory Council

- Ø The USCG will form a council comprised of local and governmental stakeholders to identify, study, and address the suitability of the waterway in accordance with the regulations and guidance.
- Ø The council will provide the COTP information for the LOR.



Issues identified

- Security zones:
 Size, enforcement, time, impact to others.
- Ø Transits thru Canadian waters:
- Ø Tugboats / Fireboats / Security boats / Additional USCG personnel.
- Ø These and more are all questions and issues raised which will be addressed in one form or another.

33 CFR 127.009 Letter of Recommendation (LOR)

- Ø The LOR is the USCG's response to the LOI.
- Ø The LOR will not be issued until FERC has responded to the application to site and construct an on-shore LNG facility.
- Ø The LOR is NOT an approval.
- Ø The USCG and FERC will work closely during the entire application process.

LOR (Cont)

- The LOR will be issued to state and local government agencies having jurisdiction as well as the proposed owner and operator.
- The LOR will address the suitability of the waterway for LNG marine traffic. Based on: LOI information, above water obstructions, depths, tides, protection from high seas, shoals, and underwater obstructions.
- Ø The LOR will also address the channel width and distance of berth vessel from the channel.
- Ø A minimum 16 month process to an LOR.



Public Notification and Participation

- Ø USCG Continued participation in forums such as this.
- Ø Objective representation in the advisory council.
- Ø Solicit input via email or letter to addresses previously identified.
- Ø USCG press releases / Federal Register Notice as process stages are reached.

Summary

- This presentation glosses over the whole process for the USCG. We will continue to prepare for an LOI and subsequent response.
- Ø Yes, LNG has it's risks. All shipping and cargo operations does.
- Ø Mitigating those risks to continue our way of life, is the job of your public servants.

