



Waterway Suitability and Operations



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DOE LNG Forum

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Waterway Suitability & Operations



- Background Info
- Waterway Suitability Assessment process
- Waterway Operations
- Application Status
- What's Next?
- Closing Remarks



Waterway Suitability & Operations



Applies to “shore-side” LNG Terminals:

- Waterfront LNG terminals, or
- LNG terminals in state waters
- Does not apply to LNG Deepwater Ports





Shore-side LNG terminals vs. Deepwater Ports



	<i>Shore-side LNG terminal:</i>	<i>LNG DWP:</i>
Lead agency:	FERC	CG/MARAD
Cooperating agencies:	CG, DOT, others	Many federal agencies, plus "Adjacent State"
State can veto?	No	Yes
CG approval authority:	Local COTP	COMDT (G-PSO-5)
Application process:	19-21 months	356 days



Background Info

(shore-side LNG terminals)



Suez-Distrigas; Everett, MA



Cove Point LNG; Cove Point, MD



Southern LNG; Elba Island, GA



CMS Trunkline; Lake Charles, LA



Background Info (*shore-side LNG terminals*)



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- 1970s: 4 LNG terminals built.
 - 1980: 2 LNG terminals deactivated.
 - 2000: 2 LNG terminals reactivated, many new ones proposed.
 - 2001: Terrorist attacks raise major security concerns, questions arise about LNG safety & security.
 - 2004: Interagency Agreement signed by CG/FERC/DOT (FERC is “lead federal agency”).
 - 2004: Sandia Labs Report was published.
 - 2005: NVIC 05-05 “*Guidance on Assessing the Suitability of a Waterway for LNG Marine Traffic*” was published.



Background Info

(shore-side LNG terminals)



33 CFR Part 127: “Waterfront Facilities Handling LNG & Liquefied Hazardous Gas”

- Specific requirements for pier/wharf area.
- Requires applicant to submit Letter of Intent (LOI).
- Requires COTP to issue Letter of Recommendation (LOR) as to suitability of waterway for LNG marine traffic.
- LOR requirements focused on navigational safety.
- Guidance document (NVIC 05-05) was issued to ensure LOR process includes maritime security considerations.



NVIC 05-05: Guidance on Assessing the Suitability of a Waterway for LNG Marine Traffic



Waterway Suitability Assessment (WSA):

- WSA accounts for navigational safety plus port security risk factors
- WSA is developed/reviewed/validated in conjunction with key stakeholders at the port
- Key elements of WSA:
 - ✓ Port characterization
 - ✓ Characterization of LNG facility & tanker route
 - ✓ Risk Assessment for Tanker Ops
 - ✓ Risk Management Strategies
 - ✓ Resources needed





NVIC 05-05: Guidance on Assessing the Suitability of a Waterway for LNG Marine Traffic



WSA process:

- Applicant prepares WSA (w/help from stakeholders)
- COTP reviews/validates WSA (w/help from stakeholders)
- COTP provides Waterway Suitability Report (WSR) to FERC, for inclusion in EIS
- FERC issues EIS & Final Order
- COTP issues Letter of Recommendation (LOR)



NVIC 05-05: Guidance on Assessing the Suitability of a Waterway for LNG Marine Traffic



Enclosures:

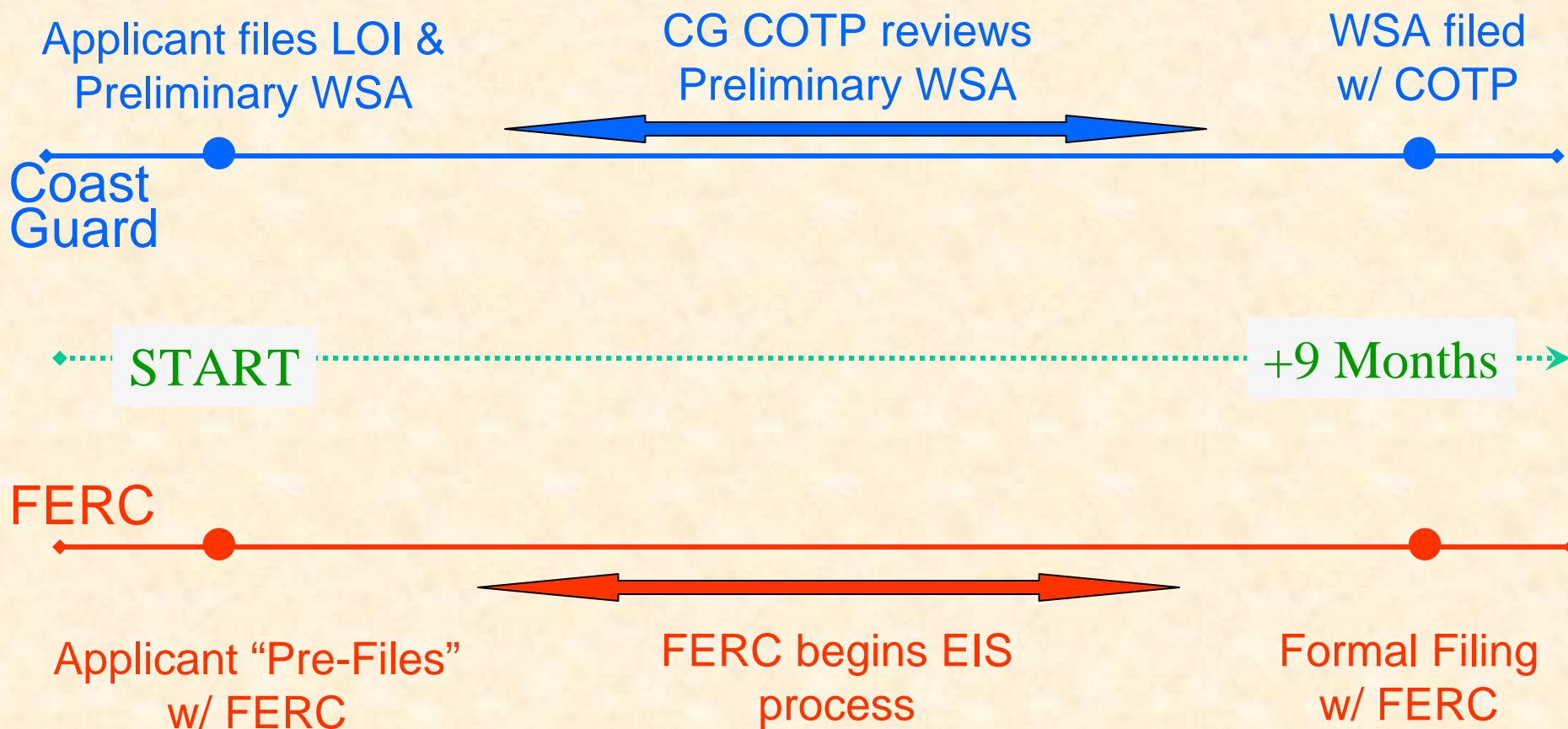
- (1) Timeline for Process
- (2) Guidance on Conducting WSA
- (3) Risk Assessment Quick-Reference Tool
- (4) Checklist for Reviewing WSA
- (5) Example Press Release
- (6) Example Federal Register Notice
- (7) Example LOR
- (8) Example Record of Decision (ROD)
- (9) Example Waterway Suitability Report to FERC
- (10) Example Report to FERC, Supplementary Record
- (11) Summary of “Zones of Concern”

*Guidance on
WSA process*



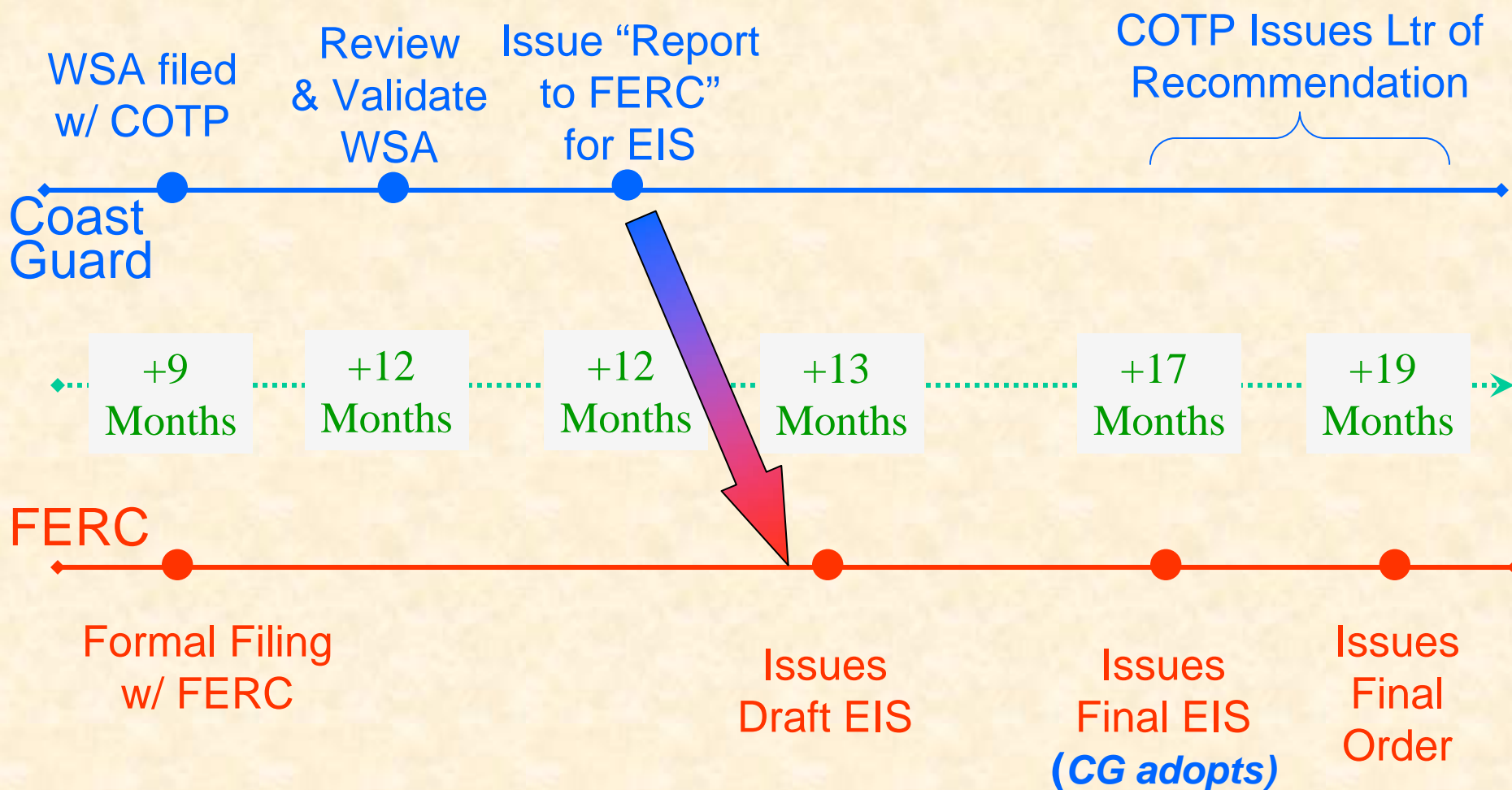


CG and FERC Timelines





CG and FERC Timelines





NVIC 05-05: Guidance on Assessing the Suitability of a Waterway for LNG Marine Traffic



Implementation (starting 6/14/05):

- *New Facilities* – Apply NVIC & complete WSA.
- *Proposed Facilities already under review or approved* – Apply NVIC & complete WSA on case-by-case basis.
- *Existing Facilities* – Assume existing safety/security measures are O.K., unless COTP has reason to question them (esp. if facility is expanded/modified) and then apply NVIC & complete WSA on case-by-case basis.





Waterway Operations *(shore-side LNG terminals)*



Coast Guard plays important safety/security role



Waterway Operations *(shore-side LNG terminals)*



Vessel Transit Plan:

- After completing WSA/LOR process, next step is to develop a detailed safety & security plan.
- Plan provides detailed info about:
 - Involved agency responsibilities
 - How agencies interact & communicate
 - Required safety & security measures
- Examples of safety & security measures:
 - Crew screening
 - At-sea safety and/or security boardings
 - Positive Control measures
 - Surveillance along waterway (air, water, shore)
 - Safety/Security Zones & armed escorts
 - Boat barriers around moored LNG ships





Application Status *(shore-side LNG terminals)*



Approved

- Operating: 6
 - Approved/Not yet operating: 6
- 12**

Under Review

- New Projects: 15
 - Expansion Projects: 5
- 20**

Approval Denied **1**



What's Next?

(shore-side LNG terminals)

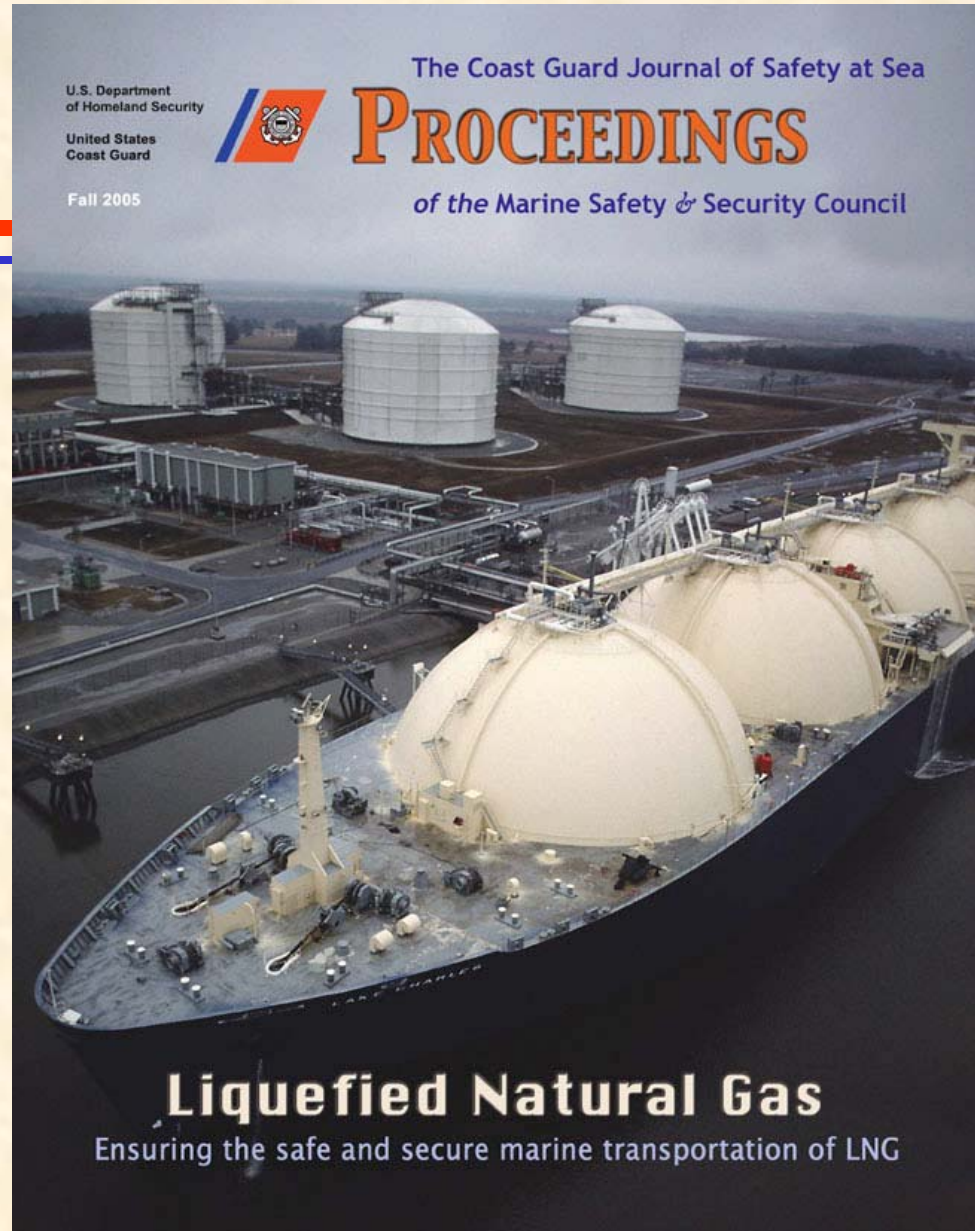


- Continued evaluation & refinement of safety/security risk management measures
- Studies of larger-sized LNG carriers
- CG security & safety resource initiatives
- Funding sources for federal safety/security resources & development of cost-sharing plans



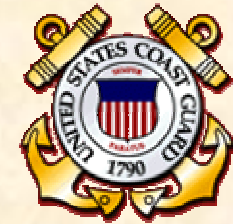
Fall 2005 issue of
Proceedings is
dedicated to the
marine transportation
of LNG

[www.uscg.mil/
proceedings](http://www.uscg.mil/proceedings)





Questions?



Operating & Environmental Standards (G-PSO)

- G-PSO-1 Maritime Personnel
- G-PSO-2 Vessel & Facility Operating Stds
- G-PSO-3 Hazardous Materials
- G-PSO-4 Environmental Stds
- G-PSO-5 Deepwater Port Stds

Shore-side LNG
Terminals

LNG Vessels

LNG Deepwater
Ports (DWPs)



Questions?



Shore-side LNG terminals:

- CDR John Cushing (G-PSO-2) ... **202-372-1410**

LNG Vessels:

- CDR Rick Raksnis (G-PSO-3)... **202-372-1420**

LNG Deepwater Ports:

- Mr. Mark Prescott (G-PSO-5) ... **202-372-1440**