

**Supporting Statement
for
Requirements for Lightering of Oil
and Hazardous Material Cargoes**

A. Justification.

1) Circumstances that make the collection of information necessary.

The Port and Tanker Safety Act of 1978 (Pub. L. 95-474, October 17, 1978) amended the Tank Vessel Act (46 U.S.C. 391a). The Act required the Secretary of the Department of Transportation to develop regulations for the lightering of oil and hazardous materials which take place in the navigable waters of the U.S. or the high seas if the cargo is destined for a port or place subject to the jurisdiction of the United States. In addition, section 4115(d) of the Oil Pollution Act of 1990 amends 46 U.S.C. 3715. The specific requirements of the lightering provision are found in Title 33 CFR 156.200-330.

This information collection supports the following strategic goals:

Department of Homeland Security

- Prevention
- Protection

Coast Guard

- Maritime Safety
- Protection of the Natural Resources

Marine Safety, Security and Stewardship Directorate (CG-5)

- Safety: Eliminate deaths, injuries, and property damage associated with commercial maritime operations.
- Human and Natural Environment: Eliminate environmental damage associated with maritime transportation and operations on and around the nation's waterways.

2) By whom, how, and for what purpose the information is to be used.

Offshore cargo lightering involves the transfer of large volumes of oil or other hazardous substances from one vessel to another. Offshore transfers of bulk liquids between vessels are riskier than transfers to or from waterfront facilities, creating a higher potential for a major spill. Without this information collection, substandard vessels could lighter their cargoes beyond the U.S. contiguous zone to circumvent U.S regulations,

further increasing the potential for spills. If the collection of information was not conducted, the Coast Guard could not provide timely response in an emergency, minimize the environmental damage for an oil or hazardous material spill, or control the location and procedures for such activities. The purpose of this collection is to inform the local Coast Guard Captain of the Port of the time and place of the cargo transfer and to ensure the vessels involved are in compliance with Coast Guard inspection requirements, possess a valid Certificate of Financial Responsibility, and have approved pollution response plans on file.

3) Consideration of the use of improved information technology.

The information collection may be in written or electronic form. Advance notices of offshore lightering activity are most commonly given electronically by--telephone, marine radio, fax or e-mail.

We estimate about 100% of the reporting requirements are done electronically.

4) Efforts to identify duplication. Why similar information cannot be used.

There is no State or local authority beyond the contiguous zone. No similar information gathering is conducted by other Federal agencies. Similar information does not exist.

5) Methods to minimize the burden to small business if involved.

This information collection does not have an impact on small businesses or other small entities.

6) Consequences to the Federal program if collection were conducted less frequently.

If information were collected less frequently the Coast Guard would have incomplete knowledge of vessel activity which could significantly slow response to a vessel emergency and result in increased environmental damage from oil or hazardous materials spills near environmentally sensitive areas.

7) Explain any special circumstances that would cause the information collection to be conducted in a manner inconsistent with guidelines.

This information collection is conducted in manner consistent with the guidelines in 5 CFR 1320.5(d)(2).

8) Consultation.

A 60-day Notice was published in the *Federal Register* to obtain public comment on this collection (see [USCG-2011-0843]; September 12, 2011; 76 FR 56208). Additionally, a 30-day Notice was published in the *Federal Register* to obtain public comment on this collection (November 18, 2011; 76 FR 71581). The Coast Guard has not received any comments on this information collection.

9) Explain any decision to provide any payment or gift to respondents.

There is no offer of monetary or material value for this information collection.

10) Describe any assurance of confidentiality provided to respondents.

There are no assurances of confidentiality provided to the respondents for this information collection.

11) Additional justification for any questions of a sensitive nature.

There are no questions of sensitive language.

12) Estimates of reporting and recordkeeping hour and cost burdens of the collection of information.

- The estimated annual number of respondents is 779.
- The estimated annual number of responses is 1,242.
- The estimated annual hour burden is 217 hours.
- The estimated annual cost burden is \$12,803.

Data for this ICR is based on Coast Guard contact with two Gulf of Mexico based lightering companies.¹ The estimated number of respondents and responses for this ICR is based on an average of historical data for 2009 and 2010. Data from an additional company was added using that company's historical market share of 10%.² Based on this data the Coast Guard's estimated number of

¹ The companies contacted for this data were SPT, Inc. and American Eagle Tankers (AET).

² As we were unable to obtain data from OSG Lightering Services, Inc., (formerly Heidenreich Lightering Services), we used their historical market share of 10% in our estimate.

respondents engaged in lightering operations is 779. Also, we estimate the total annual number of lightering operations is 1,242. There is no recordkeeping burden for this information collection.

It will take approximately 0.175 hours (10 minutes) to notify the Coast Guard about the lightering operation. This includes information such as: the vessel's name, the cargo type (if oil) or shipping name (if hazardous material) and approximate amount on board, the number of transfers expected and the amount of cargo expected to be transferred, the lightering location, the estimated duration of transfer operation and the name and destination of service vessel.

The cost estimate was calculated using the appropriate wage hourly rate for personnel on the vessel to be lightered of \$59.00 per hour (GS-11 equivalent)³.

The estimated total annual burden in hours is approximately 217 hours (1,242 lightering operations/year x 0.175 hours/lightering operation = 217 hours/year (rounded)).

The estimated total annual cost to industry is approximately \$12,803 (217 burden hours/year x \$59/hour = \$12,803/year).

13) Estimates of annualized capital and start-up costs.

There are no recordkeeping, capital, start-up or maintenance costs associated with this information collection.

14) Estimates of annualized Federal Government costs.

It takes approximately 0.50 hours to receive and process offshore lightering information by the Coast Guard. The cost is calculated using the hourly standard rate (\$61.00 per hour) for the field unit personnel who normally process these notices (E-7)⁴. The total cost to the Coast Guard is \$37,881 (1,242 lightering operations/year x \$61/hour x 0.50 hours/lightering operation).

15) Explain the reasons for the change in burden.

The change in burden hours is an ADJUSTMENT due to an increase in reported vessel lightering activity. There is no proposed change to the reporting requirements of this collection. The reporting requirements remain unchanged.

³ Information taken from COMDTINST 7310.1M

⁴ Information taken from COMDTINST 7310.1M

- In this ICR, there is a large increase in the number of respondents from the last ICR (151 to 779). We do not have an explanation for this change. The respondent data comes directly from lightering companies.
- Regarding the methodology for calculating burden, we normally obtain data from 3 companies to develop our annual estimate of lightering activities. Unfortunately, data was not available from 1 of those 3. To account for this missing data, we increase our estimate of known lightering activities by 10% to account for the missing company's historical market share.
- Updates are provided for cost burden associated with this collection of information.
- The Coast Guard has created printable instructions for this collection of information.

16) For collections of information whose results are planned to be published for statistical use, outline plans for tabulation, statistical analysis and publication.

This information collection will not be published for statistical purposes.

17) Explain the reasons for seeking not to display the expiration date for OMB approval of the information collection.

The Coast Guard will display the expiration date for OMB approval of this information collection.

18) Explain each exception to the certification statement.

The Coast Guard does not request an exception to the certification of this information collection.

B. Collection of Information Employing Statistical Methods.

This information collection does not employ statistical methods.