

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

[as modified by USCG-2010-0194; RIN 1625-AB57]

*OMB No.: 1625-0042
COLLECTION INSTRUMENTS: Instruction*

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. The specific requirements for Ship-to-Ship (STS) Operations are found in 33 CFR 156.400-420.

This information collection supports the following strategic goals:

Department of Homeland Security

- Prevention
- Protection

Coast Guard

- Maritime Safety
- Protection of the Natural Resources

Prevention Policy and Response Policy Directorates (CG-5P & CG-5R)

- 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) Purpose of the information collection.

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) Special circumstances for information collection.

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

8) Consultation.

The Coast Guard published on April 9, 2012, a Notice of Proposed Rulemaking (NPRM) entitled "MARPOL Annex I Amendments" [USCG-2010-0194; RIN 1625-AB57; 77 FR 21360]. The rulemaking proposed—

- to update our regulations to harmonize U.S. regulations with international conventions regarding oil pollution and safety of life at sea. The Coast Guard proposes to amend our regulations covering Navigation and Navigable Waters to align with recent amendments to Annex I of the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978, which were adopted by the Marine Environment Protection Committee during its 52nd, 54th, 56th, and 59th sessions. In addition, we are proposing to incorporate guidance from the Maritime Safety Committee, based on updates to the International Convention for the Safety of Life at Sea 1974, into our regulations covering shipping. Finally, we are seeking public comment on an alternative to add a requirement that some new U.S. non-oceangoing vessels be equipped with an oily bilge water storage tank.

The NPRM 90-day comment period closed on July 9, 2012. The Coast Guard received no collection of information comments related to our burden estimate. On February 4, 2015, the MARPOL Annex I Amendments Final Rule was published (80 FR 5922).

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) Estimate of annual hour and cost burdens to respondents.

- The estimated annual number of respondents is 779.
- The estimated annual number of responses is 2,228.

- The estimated annual hour burden is 372 hours.
- The estimated annual cost burden is \$17,707.

The burden to respondents is provided in Appendix A, Table 1. 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. 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 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 0.167 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 hourly burden to provided lightering notification is 207 hours (0.167 hours * 1,242 notifications)

Oil tankers and barges greater than 150 gross tons would provide two notifications that a Ship-to-Ship (STS) Operation will occur, the first one notifying the Coast Guard that an STS Operation will occur 48 hours in advance and the 2nd one to report the details of the operation to the Coast Guard.

Based on the Coast Guard's Marine Information for Safety and Law Enforcement (MISLE) database, we estimate that of the 779 vessels performing lightering, 512 oil tankers and oil barges perform STS Operations or transfers of oil.

The cost estimate was calculated using the mean, hourly wage rate of a captain, mate, or pilot * a 1.4 loaded rate to incorporate fringe benefits.³ (34.01 hourly wage * 1.4 load rate = \$47.60). Table 1 provides the breakdown of costs by section.

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.

The annualized Federal Government cost estimate is \$66,840 (see Appendix A, Table 2). It takes approximately .5 hours to receive and process offshore lightering or STS Operation information by the Coast Guard. The cost is calculated using the hourly standard rate (\$60 per hour) for the field unit personnel who handle these notices (E-7)⁴. Table 2 provides the breakdown in government costs. We anticipate that the cost to receive and process notifications of lightering or an STS Operation is \$66,840 (0.5 hours * 2,228 notifications * \$60 an hour).

15) Explain the reasons for the change in burden.

The change in burden is a PROGRAM CHANGE due to the MARPOL Annex I Amendments rulemaking that increases the reporting requirements. The rulemaking establishes a new tank vessel reporting

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.

³ <http://www.bls.gov/oes/current/oes535021.htm>

⁴ Information taken from COMDTINST 7310.1N

requirement to notify the Coast Guard in advance of an STS Operation. The methodology for calculating burden remains unchanged.

16) Plans for tabulation, statistical analysis and publication.

This information collection will not be published for statistical purposes.

17) Approval for not explaining the expiration date for OMB approval.

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.

Appendix A

Table 1. Industry Burden to notify the Coast Guard of a lightering or STS Operation

	§ 156.200-330	§ 156.400-420	Total Annual Burden
Respondents	779	512	779
Annual Responses	1,242	986	2,228
Hourly Burden	0.167	0.167	0.167
Total Hour Burden	207	165	372
Wage Rate	\$47.60	\$47.60	\$47.60
Cost Burden	\$9,853	\$7,854	\$17,707

Table 2. Government Cost to receive and process notifications

	§ 156.200-330	§ 156.400-420	Total Annual Burden
Annual Responses	1,242	986	2,228
Hourly Burden	0.5	0.5	0.5
Total Hour Burden	621	493	1,114
Wage Rate	\$60	\$60	\$60
Cost Burden	\$37,260	\$29,580	\$66,840