

Secretary

U.S. Department of Homeland Security  
Washington, DC 20528



Homeland  
Security

June 29, 2010

Mr. Doug Suttles  
Chief Operating Officer  
BP Exploration & Production Inc.  
501 WestLake Park Boulevard  
Houston, Texas 77079

Dear Mr. Suttles:

This is in response to your June 22, 2010 letter requesting a waiver of the Jones Act on behalf of BP Exploration & Production Inc. ("BP"). BP requests a waiver with respect to three production testing vessels and three storage tankers, as described in its request, which it wishes to use in connection with the oil spill response and containment activities relating to the *Deepwater Horizon* Macondo 252 well incident of April 20, 2010. BP requests the waiver for the vessels to be allowed to move from the point where they first take on the oil: (i) to another nearby point over the Outer Continental Shelf as determined by the Federal On-Scene Coordinator ("FOSC") and the master of the vessels where they can then safely discharge the oil into coastwise-qualified vessels; or (ii) to a port or place in the United States approved by the FOSC where the vessels can discharge the oil on board into a terminal or other vessel or facility. BP asks for the waiver if transportation is required by weather conditions or by the direction of the FOSC. BP requests that the waiver "remain in effect for a minimum period not to exceed such time as when BP either successfully kills the MC 252 well through the drilling of the relief wells or otherwise brings the MC 252 well under complete control, or until such time as the FOSC determines it to no longer be necessary, whichever is earlier."

Title 46, United States Code (U.S.C.), section 55102 (46 U.S.C. § 55102), also known as the "Jones Act," prohibits the transportation of merchandise between points in the United States, either directly or via a foreign port, on any vessel that is not coastwise-qualified (i.e., U.S.-built, owned, and documented with a coastwise endorsement). The coastwise laws, including the Jones Act, generally apply to points in the territorial sea, which is defined as the belt, three nautical miles wide, seaward of the territorial sea baseline, and to points located in internal waters, landward of the territorial sea baseline. Pursuant to the Outer Continental Shelf Lands Act of 1953, as amended (43 U.S.C. § 1333(a); "OSCLA"), certain points on the Outer Continental Shelf are also points encompassed by the Coastwise Laws.

The coastwise laws administered by U.S. Customs and Border Protection can only be waived under the authority provided in 46 U.S.C. § 501. This statute provides in pertinent part that:

Mr. Doug Suttles

Page 2

When the head of an agency responsible for the administration of the navigation or vessel-inspection laws considers it necessary in the interest of national defense, the individual, following a determination by the Maritime Administrator, acting in the Administrator's capacity as Director, National Shipping Authority, of the non-availability of qualified United States flag capacity to meet national defense requirements, may waive compliance with those laws to the extent, in the manner, and on the terms the individual, in consultation with the Administrator, acting in that capacity, prescribes.

The waiver request was submitted through the Coast Guard National Incident Command ("NIC"). The NIC recommended that the request be granted with respect to the six vessels named in the request.

We received the views of the Maritime Administration of the Department of Transportation, the Department of Defense, and the Department of Energy with respect to your waiver request and its national defense implications. By correspondence dated June 24, 2010, the Maritime Administration fulfilled its required determination found in 46 U.S.C. § 501(b). In correspondence dated June 24, 2010, the Department of Defense stated that it does not object to granting the waiver. In correspondence dated June 24, 2010, the Department of Energy stated that it "would not object if the U.S. Customs and Border Protection or another Federal agency in the review process deemed it necessary permitting the use of the vessels identified in the request for response and clean up purposes."

We have carefully considered your request for a waiver of the Jones Act and the input of the other Government entities. We find that such a waiver is in the interest of national defense. Accordingly, your request for a waiver of the Jones Act is granted with respect to the following vessels: TOISES PISCES; FPSO SEILLEAN; LOCH RANNOCH; EVI KNUTSEN; NAVION FENNIA; and HELIX PRODUCER I. BP acknowledges that this waiver would be used only if weather conditions or the FOSC require movement of the vessels. The waiver is granted on that basis and is so limited. This waiver shall be subject to termination at such time as the National Incident Commander deems appropriate. Our granting of your waiver request is also subject to the ongoing approval of the National Incident Commander.

Yours very truly,

(b)(6),(b)(7)(C)

Janet Napolitano

cc: Admiral Thad Allen, United States Coast Guard  
Lisa Roberts, Department of Defense  
Michael Hokana, Maritime Administration  
Patricia Hoffman, Department of Energy

Secretary

U.S. Department of Homeland Security  
Washington, DC 20528



Homeland  
Security

June 29, 2010

Michael Marks Cohen, Esq.  
Nicoletti Hornig & Sweeney  
88 Pine Street  
Seventh Floor  
New York, New York 10005-1801

Dear Mr. Cohen:

This is in response to your June 21, 2010 letter requesting a waiver of the Jones Act on behalf of Triton Hungary Asset Management LLC ("Triton"). Triton requests the waiver for the foreign-flag *MODU Discoverer Enterprise* (the "vessel") so that at certain times the vessel may offload oil to coastwise-qualified lighters within a 3,500 meter radius of the 500 meter safety zone which has been established by the U.S. Coast Guard above the well pipe at the site of the *Deepwater Horizon Macondo 252* well incident of April 20, 2010.

Title 46, United States Code (U.S.C.), section 55102 (46 U.S.C. § 55102), also known as the "Jones Act," prohibits the transportation of merchandise between points in the United States, either directly or via a foreign port, on any vessel that is not coastwise-qualified (i.e., U.S.-built, owned and documented with a coastwise endorsement). The coastwise laws, including the Jones Act, generally apply to points in the territorial sea, which is defined as the belt, three nautical miles wide, seaward of the territorial sea baseline, and to points located in internal waters, landward of the territorial sea baseline. Pursuant to the Outer Continental Shelf Lands Act of 1953, as amended (43 U.S.C. § 1333(a)), certain points on the Outer Continental Shelf are also points encompassed by the coastwise laws.

The coastwise laws administered by U.S. Customs and Border Protection can only be waived under the authority provided in 46 U.S.C. § 501. This statute provides in pertinent part that:

When the head of an agency responsible for the administration of the navigation or vessel-inspection laws considers it necessary in the interest of national defense, the individual, following a determination by the Maritime Administrator, acting in the Administrator's capacity as Director, National Shipping Authority, of the non-availability of qualified United States flag capacity to meet national defense requirements, may waive compliance with those laws to the extent, in the manner, and on the terms the individual, in consultation with the Administrator, acting in that capacity, prescribes.

Mr. Michael Marks Cohen

Page 2

The waiver request was submitted through the National Incident Commander who recommends that the request be granted as it is in the interest of national security and national defense. The NIC states that "there are no coastwise endorsed vessels of adequate capacity and capability to perform the critical functions that the ENTERPRISE currently provides."

We received the views of the Department of Defense, the Maritime Administration of the Department of Transportation, and the Department of Energy with respect to your waiver request and its national defense implications. By correspondence dated June 24, 2010, the Maritime Administration recommended that the waiver be granted. In correspondence dated June 24, 2010, the Department of Defense stated that it does not object to granting the waiver. In correspondence dated June 24, 2010, the Department of Energy advised that it would not object if the U.S. Customs and Border Protection or another Federal agency in the review process deemed it necessary permitting the use of the vessels for clean up purposes.

We have carefully considered your request for a waiver of the Jones Act and the input of the other Government entities. We find that such a waiver is in the interest of national defense. Accordingly, your request for a waiver of the Jones Act, as described above, is granted. Triton acknowledges that this waiver would be used only if the FOSC requires movement of the vessel. This waiver shall be subject to termination at such time as the National Incident Commander deems appropriate. Our granting of your waiver request is subject to the ongoing approval of the National Incident Commander.

Yours very truly,

(b)(6),(b)(7)(C)

Jaet Napolitano

cc: Admiral Thad Allen, U.S. Coast Guard  
Lisa Roberts, Department of Defense  
Michael Hokana, Maritime Administration  
Patricia Hoffman, Department of Energy



Doug Suttles

Chief Operating Officer



Exploration & Production  
BP America Inc.  
501 WestLake Park Boulevard  
Houston, TX 77079

June 19, 2010

The Honorable Alan D. Bersin  
Commissioner  
United States Customs and Border Protection  
1300 Pennsylvania Avenue, NW  
Washington, D.C. 20229

Re: Request for Waiver of the provisions of the Merchant Marine Act, 1920,  
46 U.S.C. § 55102

Dear Commissioner Bersin:

BP Exploration & Production Inc. (BP) hereby requests a waiver of section 27 of the Merchant Marine Act, 1920, 46 U.S.C. § 55102 (the "Jones Act") pursuant to 46 U.S.C. § 501 regarding the use and movement of a number of foreign-flagged vessels which are now, or will in the near future, be used in connection with oil spill response and containment activities relating to the DEEPWATER HORIZON Macondo 252 well incident of April 20, 2010 (the "Incident") which has resulted in the release of crude oil into the waters of the Gulf of Mexico. These vessels will be conducting operations beyond U.S. territorial waters on the U.S. outer continental shelf (OCS) in the Gulf of Mexico.

#### REQUEST BACKGROUND:

In connection with oil spill response activities arising out of the Incident, BP has mobilized a number of vessels to assist in oil spill recovery and containment efforts. Present plans are that two or more Production Testing Vessels ("PTV") will be placed over the site of the damaged well from which the oil is being released. Each PTV will take the oil on board, stabilize it and then transfer it by pipeline or transfer hose to a classed DP shuttle tanker that will be used as a storage tanker. In the future, plans are that one or more additional vessels similar to the PTV will be established nearby either as a primary PTV, or a redundant PTV to be used to replace an existing PTV due to mechanical or operational issues. Each such additional PTV also would take on board and stabilize the oil and transfer the stabilized oil via a pipeline or transfer hose to another classed DP shuttle tanker that would be used as a storage tanker; two mirror image systems would thus be collecting the oil, stabilizing it and then transferring it to storage tankers. A description of the containment effort and schematic of the arrangement for the facilities to be deployed in the containment effort, including the vessels referenced herein, is attached for your reference

Direct 281 366 3869  
Fax 281 366 7239  
Doug.Suttles@bp.com

The TOISES PISCES (a copy of vessel description attached) has about 20,000 barrels storage capacity. A third PTV, the FPSO SEILLEAN (the "SEILLEAN"), is now being mobilized to come to the Gulf of Mexico. The SEILLEAN (copy of vessel description attached) has storage capacity of about 300,000 barrels.

Once the oil is stabilized, there is an absolute need for storage vessels to be available so that the PTV can transfer the stabilized oil and free up space for additional oil to be recovered from the damaged well.

At this time there are potentially three storage tankers capable of Dynamic Positioning (DP) that will be used. All three vessels are foreign flag. These vessels are:

LOCH RANNOCH  
EVI KNUTSEN  
NAVION FENNIA

Other similar vessels may also be considered.

These DP storage tankers are all tank vessels capable of automatically maintaining position through their DP capability. Through DP, these vessels can safely and automatically maintain position without the use of anchors or manual maneuvering controls. This allows these DP storage tankers to maintain constant relative position so as to continuously receive the oil that has been brought on the PTV and which will then be transferred to the DP storage tankers. These DP storage tankers were in fact specifically constructed to operate in the location of offshore fields so as to take on oil in deepwater and be able to safely maintain position.

At some point the DP storage tankers will need to discharge the oil received from the PTV so as to free up more space for further oil to be processed by the PTV. The base plan is to discharge the oil from these foreign-flag DP storage tankers into Jones Act qualified vessels which would then transport the oil to U.S. coastwise points for further handling.

While under good conditions it may be possible to discharge oil from the DP storage tankers onto the US flag vessels at the same point at which the DP storage tankers took on board the oil, it may also become necessary to move the DP storage tankers from their location where they took the oil on board depending on weather and operational considerations and constraints which change frequently. The DP storage tankers would either be shifted to a nearby lightering location agreed by the Captain of the Port which would allow them to discharge into a Jones Act qualified barge or tanker or may, in certain instances, need to proceed to a terminal or port or place in the United States that constitutes a coastwise point.

When weather and sea state conditions are benign, the additional loads of a barge alongside the DP storage tanker are relatively low. However, as such conditions become worse, the loads imposed by the Jones Act vessel alongside will become more de-stabilizing and, because of the hose configuration with the PTV, increase risks of spills, property damage or other casualty. The Gulf of Mexico is currently in hurricane season, but other adverse weather conditions not unusual in the Gulf of Mexico could also arise and require that the DP storage tanker go off location to discharge the oil either into the Jones Act vessel or directly to a shore facility at a US coastwise point. There is a constant and continuing need to discharge the storage tankers and not let them be at full capacity since to do so would negatively impact the ability of the PTV to continue to recover oil from the damaged well.

In addition, there are commercial and operational constraints in connection with Jones Act vessels receiving the crude oil from the DP storage tankers and thereafter discharging at key crude terminals in the Gulf Coast. These constraints require the flexibility for the DP storage tankers to be able to proceed directly to the crude terminals for discharge. Specifically:

- (i) Jones Act vessels in the range of 95,000 dwt to 135,000 dwt that could arguably provide such transportation are not generally available in today's market;
- (ii) Jones Act vessels such as barges and small tankers are not the size and type of vessels normally taken by the terminals where these vessels must discharge with oil from the PTV, raising safety and other concerns, while the DP storage tankers are the traditional size (95,000 dwt and larger) customarily taken by crude terminals;
- (iii) Many Jones Act barges that might be considered generally do not have inert gas systems on board, thereby raising safety concerns; and
- (iv) Very importantly, an adequate number of Jones Act vessels will likely not be available at certain points in time to take on the oil from the DP storage tankers, thereby resulting in a full DP storage tanker and "backing up" the process and slowing down the rate of oil recovered through lack of sufficient storage unless the foreign-flag storage vessel is permitted to discharge at a crude terminal in the United States.

Similar to the DP storage tankers, the TOISES PISCES and SEILLEAN may also be required to move off location due to heavy weather, emergency, or need to discharge while other vessels replace one of them on location. These PTVs may be able to return to the same location to discharge the barrels then stored, but operational and/or safety or other issues may require the vessels to

discharge at a location other than that where the barrels were loaded so that recovery and storage of oil may continue with no or minimal interruption.

#### REQUEST AND JUSTIFICATION

Our reading of CBP opinions is that CBP would consider the movement of the DP storage tankers – even a very short movement of 500 meters -- to be a violation of the Jones Act in that any purposeful movement of the vessels from the location where the oil was taken on would be considered a “part of the transportation” to another coastwise point. Similarly, CBP has ruled that an FPSO, if required to move off location due to an emergency, will be in violation of the Jones Act if the cargo on board at the time it disconnects is discharged at any location other than the point where the cargo was loaded. (We note that to our knowledge there have been no court decisions on these points generally nor has CBP or any court ruled on the unique circumstances of this situation).

Based on the foregoing understanding of the CBP position, BP requests this waiver for the DP storage tankers to be allowed to move from the point where they first take on the oil: (i) to another nearby point over the OCS as determined by the FOSC (Federal On-Scene Coordinator) and the Master of the DP storage tanker where it can then safely discharge the oil into Jones Act vessels, or (ii) to a port or place as approved by the FOSC in the United States where the DP storage tanker could discharge the oil then on board into a terminal or other vessel or facility. In addition, BP requests a waiver be granted so that the TOISES PISCES and/or SEILLEAN are allowed to move from the point where they first take on oil to another location for discharge as described for the DP storage tankers above and on the same basis as requested above for such DP storage tankers. We ask these waivers remain in effect for a minimum period not to exceed such time as when BP either successfully kills the MC 252 well through the drilling of the relief wells or otherwise brings the MC 252 well under complete control, or until such time as the FOSC determines it to no longer be necessary, whichever is earlier.

BP would submit that i) there are no Jones Act vessels of the appropriate size available to perform the unique services and operations of the DP storage tankers (BP’s understanding is that there are in fact no Jones Act tankers of appropriate size capable of maintaining position through DP), and ii) the granting of this waiver is in the interest of national security. On the latter point, the risk of further spills through the transfer of recovered oil in what could constitute unsafe conditions, the need for the PTV to be able to transfer oil as needed so it may continue to recover oil being released from the damaged well and stabilize the oil so recovered, and the minimization of risk to life and property and potential delays to oil recovery will all further the efforts to mitigate the effects of the incident and more quickly stabilize the situation and allow for recovery of the maximum amount of oil feasible.

There is ample precedent for this request. Similar waivers were granted after the EXXON VALDEZ incident and Hurricanes Katrina and Rita and in each instance the U.S. Government found that it was in the interest of national defense to issue limited waivers of the Jones Act.

We attach specification sheets for the 3 DP storage tankers mentioned. Please note however that other similar type vessels may be utilized so we request the waiver, if granted, be extended to those other vessels as well.

Thank you for your attention to this request; we ask that you please reply as soon as possible.

Very truly yours,  
(b)(6), (b)(7)(C)

Douglas Suttles

Attachment

cc: FOOSC (w/attach.)

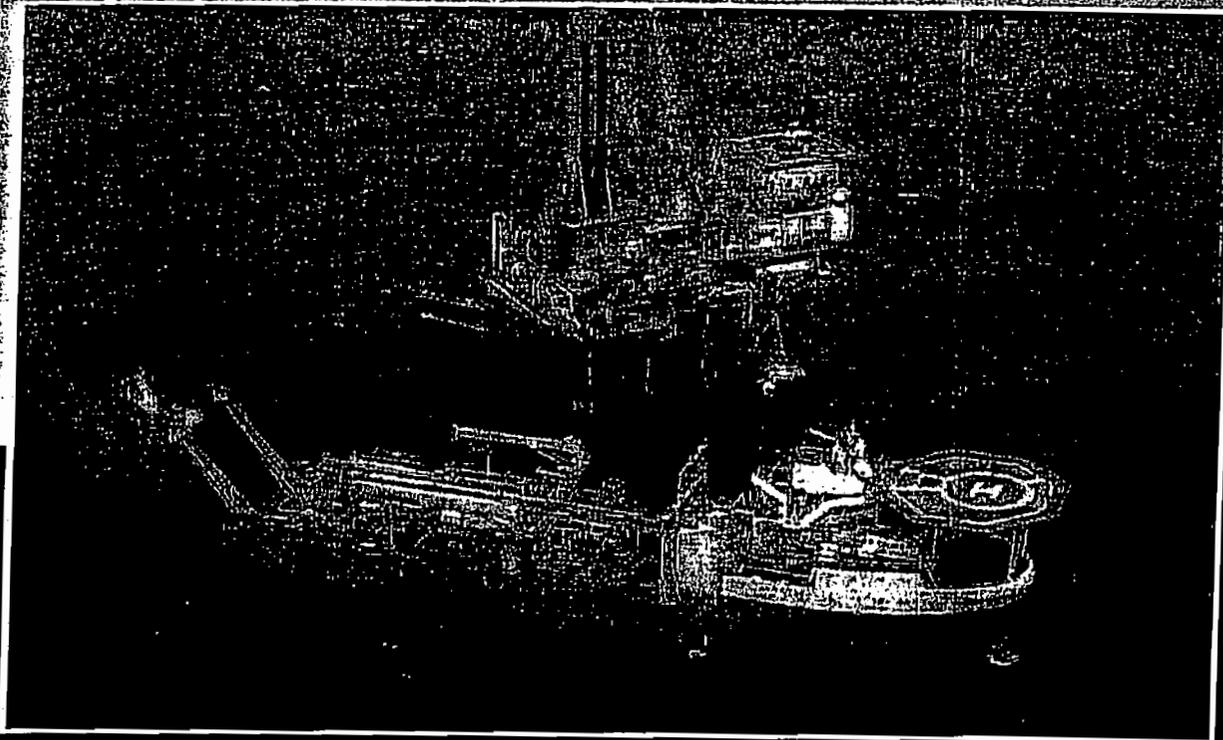


**Sealion**

**TOISA PISCES**

Sealion Shipping Limited  
Sealion House  
The Courtyard  
17 West Street  
Farnham, Surrey  
GU9 7DR  
Telephone: (01252) 737773  
Telefax: (01252) 737770  
Website: [www.sealion.co.uk](http://www.sealion.co.uk)

## **DP ENVIRONMENTAL WELL TESTING VESSEL**



## TOISA PISCES SPECIFICATION

### GENERAL

Built	1996
Flag	Liberia
Class	"Det Norske Veritas + 1A Ship-shaped production and storage unit. PRODD, Offloading, AUTR, EO, HELDK"
Description	DP Environmental Well Testing & Service Vessel UT 736
GMDSS	463694894
Official No	11860
Call Sign	A8BV3
IMO No	9139074
MMSI No	636-011860
DnV No	18319
Gross Tonnage	6651
Nett Tonnage	1996
Deadweight (Summer)	6420

### DIMENSIONS

Length DA (Hull)	103.7 m
Length BP	96.65 m
Breadth mid	23.2 m
Depth mid	9.0 m
Draught (summer)	7.05 m

### PERFORMANCE/CONSUMPTION

Speed (service)	Abt 12.0 Knots
Speed (max)	Abt 14.0 Knots

### CARGO CAPABILITIES

Cargo Oil	3325 m <sup>3</sup>
Oil/Water	1415 m <sup>3</sup>
Chemicals	150 m <sup>3</sup>
Solids	10 m <sup>3</sup>

### TANK CAPACITIES

Fuel Oil	878.0 m <sup>3</sup>
Potable Water	1439.2 m <sup>3</sup>

### STABILISATION

Passive Roll Damping

### ACCOMMODATION

Total Berths	70 Berths: 28 x Single Berths 21 x Double Berths
Hospital	
Gymnasium	

### HELIDECK

Construction	Aluminium
Load Capability	Maximum weight 5300 kg suitable for ball 412

### MAIN MACHINERY

Main Engines	3 X Bergen Diesel BRG 9 each producing 3625 kW (Total Power 10875 kW)
Auxiliary Engines	2 X Bergen Diesel each producing 507kW at 440V 3Ph 60 Hz

### THRUSTERS

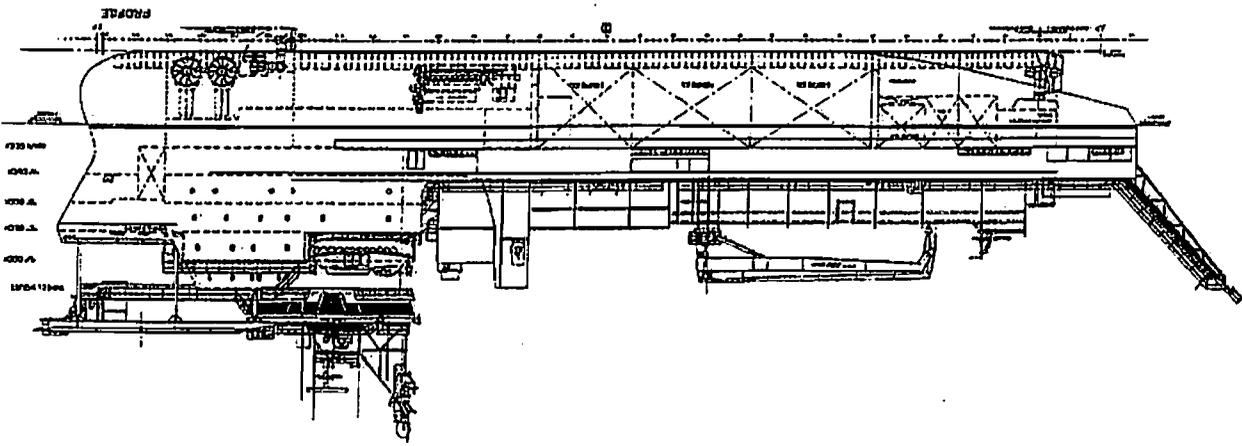
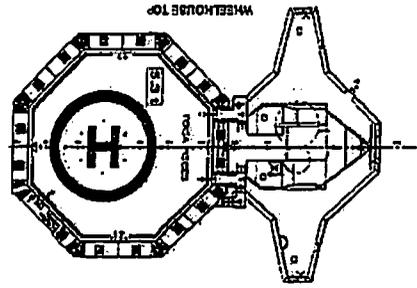
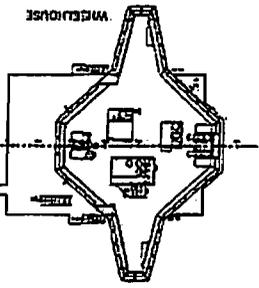
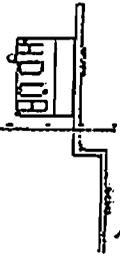
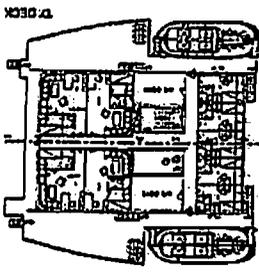
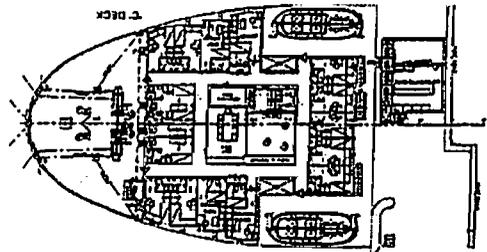
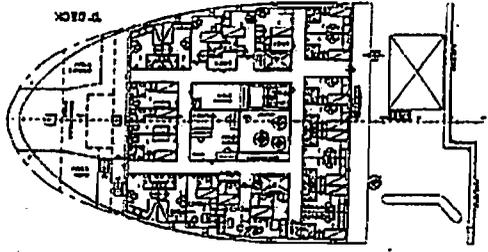
Bow Thrusters	2 X CCP tunnel type (2 x 880 kW) and 1 x CCP 'swing up' type nozzle (1 x 880 kW)
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### DYNAMIC POSITIONING

Computer	ALSTRDM ADP 21 Duplex System
Reference System	1 x DGPS (Thales 3011) Differential signal 1 (currently Inmarsat) 1 x DGPS (Thales 3011) Differential signal 3 (currently spotbeam) 1 x Fanbeam (MDL Fanbeam 4)

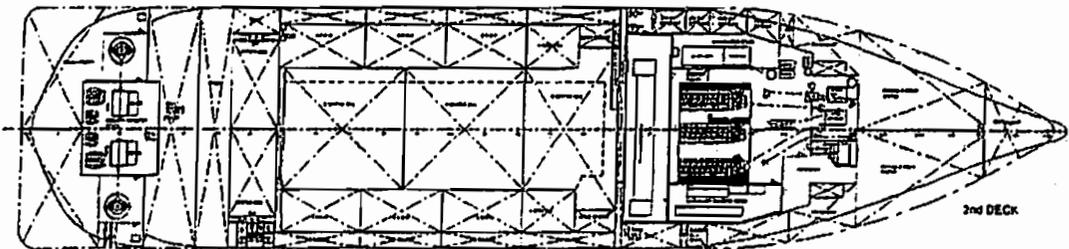
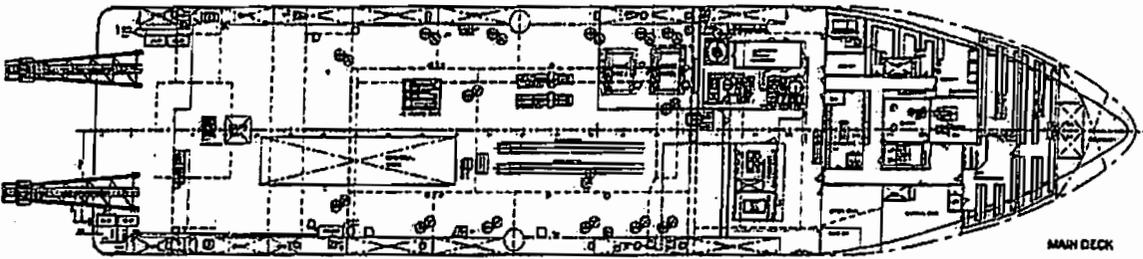
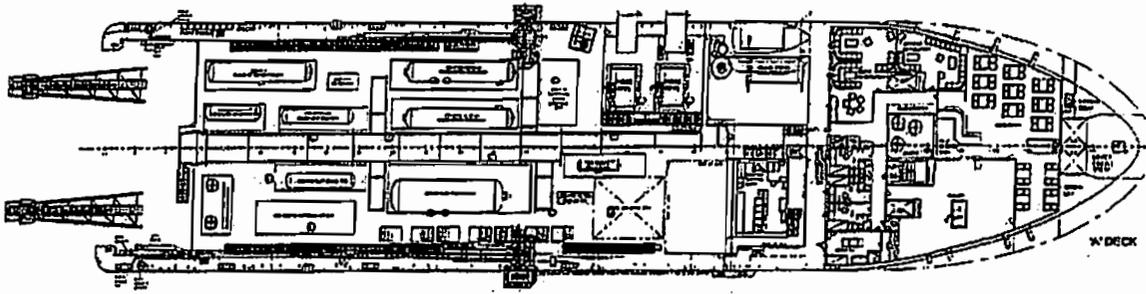
### DECK MACHINERY

Hose Handling Crane	Telescopic 10 t @14 m or 4.5 t @30 m
GP Crane	Fixed boom 23 t @21 m or 33 t @15 m



GENERAL ARRANGEMENT

ARRANGEMENT PLAN



## PROCESS PLANT DESCRIPTION

The Well Test and Servicing Vessel *Toisa Pisce* is designed to receive process and offload or store hydrocarbons and other reaction products from Well test, cleanup or stimulation operations.

### Method of operation

The *Toisa Pisce* is classed by DNV as DYNPOS ATR and operates throughout in DP Class 2, Two 4" 110 cm Coflexip hoses fitted on reels on the port side of the vessel are connected to the platform or drilling unit to form an import and export line. Imported fluids pass through a shipboard choke before being diverted to the Production or Clean-up Trains.

The vessel is self sufficient in "chicson" type pipe, which can be rigged up to make the connection from the Christmas Tree or flowhead to the Coflexip hose. All pipe work up to and including the choke skid is rated to 10,000 psi.

### Production Train

The Production Train consist of a Pre-heater, 1st and 2nd Stage

Production Separators (which can be used in parallel series or isolation), and Oil Treater, Gas Stripper Flotation towers and an Oil Trim Cooler.

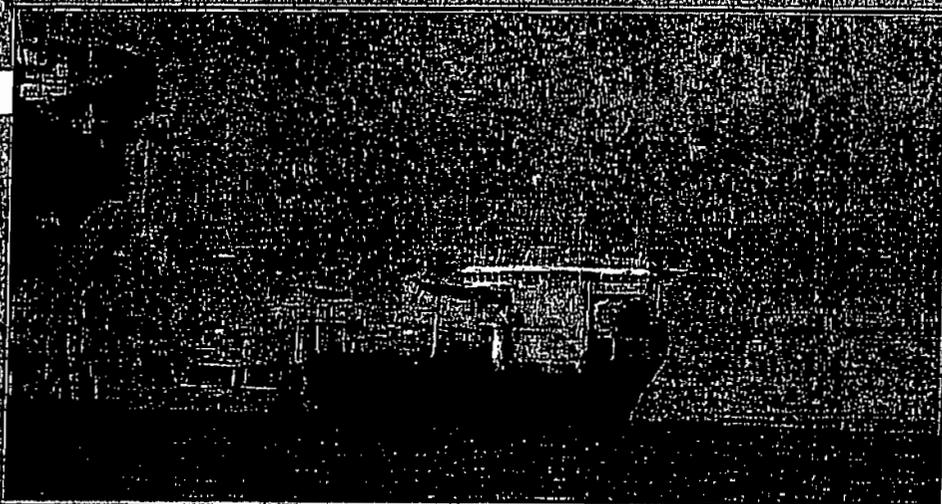
The Production Train is capable of dealing with 20,000 barrels per day oil, 32MMSCFD and 2,000 barrels per day water. Maximum pressure is 10,000 psi (reduced at the choke to maximum 1000 psi, maximum temperature is 300°F and API range 12° to 43°.

### Clean-up Train

The Clean-up system is designed to deal with the reaction products produced by well cleaning, maintenance and stimulation operations. It consists of a duplex strainer skid, cleanup separator, cleanup separator degasser and storage tanks for chemicals and solids.

The Clean-up Train is capable of dealing with 10,000 barrels per day oil, 15 MMSCFD and 2,000 barrels per day water. Maximum pressure is 500 psi, maximum temperature is 300°F and API range 13° to 43°.

## TOISA PISCES FLARING AT IXTOCA



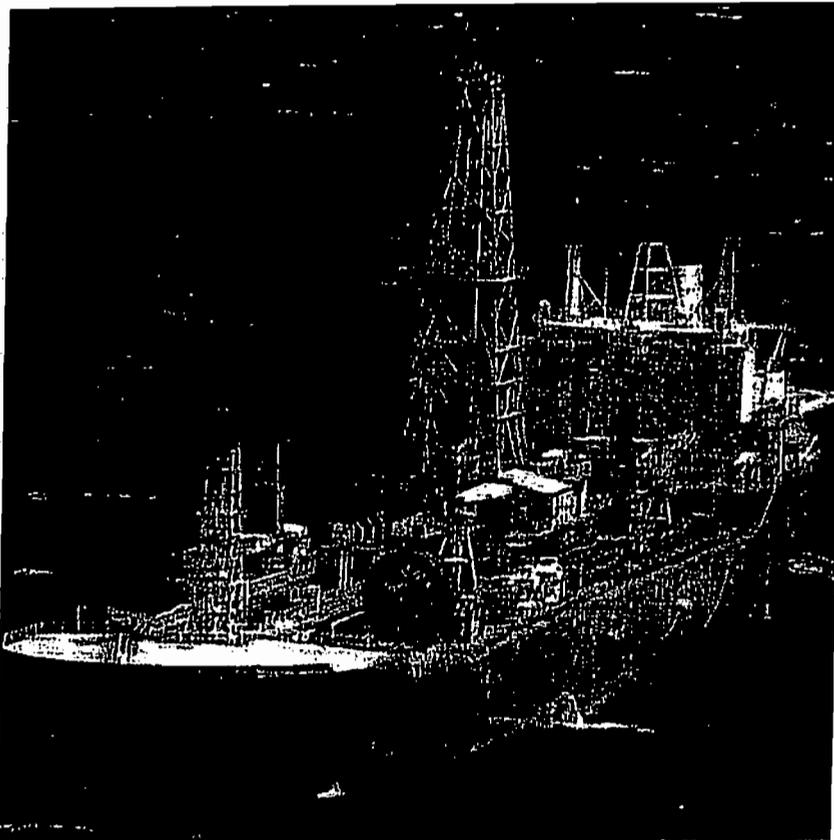
## TANK CAPACITIES

COMPARTMENT / TANKS			CAPACITY IN CUBIC METRES (100% FULL)									
TANK NO	TANK NAME	CONTENTS	FW m <sup>3</sup>	FWD m <sup>3</sup>	SWB m <sup>3</sup>	GO m <sup>3</sup>	LO m <sup>3</sup>	CO m <sup>3</sup>	OW m <sup>3</sup>	CHEM m <sup>3</sup>	SOLIDS m <sup>3</sup>	MISC m <sup>3</sup>
1	Fore Peak TK	SWB			297.2							
2	Challockers	MISC										55.9
3	DB/Wing TK 1 PS	FW	348.9									
4	DB/Wing TK 1 SB	FW	342.7									
5	DB/Wing TK 2 PS	SWB			188.0							
6	DB/Wing TK 2 SB	SWB			179.6							
7	DB/Wing TK 3 PS	GO				116.7						
8	DB/Wing TK 3 SB	GO				235.3						
9	DB/Wing TK 6 PS	PWB		228.9								
10	DB/Wing TK 6 SB	PWB		228.9								
11	DB/Wing TK 7 PS	PWB		223.8								
12	DB/Wing TK 7 SB	PWB		223.8								
13	DB/Wing TK 8 PS	PWB		237.1								
14	DB/Wing TK 8 SB	PWB		237.1								
15	DB/Wing TK 4 PS	GO				133.1						
16	DB/Wing TK 4 SB	GO				171.0						
17	DB/Wing TK 5 PS	PWB		209.4								
18	DB/Wing TK 5 SB	PWB		237.4								
19	Wing TK 9 PS	SWB			32.4							
20	Wing TK 9 SB	SWB			32.4							
21	Wing TK 10 PS	SWB			34.1							
22	Wing TK 10 SB	SWB			34.1							
23	DB TK 4 SB/Oily WT	MISC										38.6
25	DB TK 9	SWB			49.6							
26	CENTRE TK-10	FW	181.5									
27	1 PORT	CO						150.9				
28	1 STBD	CO						150.8				
29	2 P.O.W.	OW							218.5			
30	2 S.O.W.	OW							218.5			
31	SLOP TANK PORT	OW							37.8			
32	SLOP TANK STBD	OW							40.0			
33	3 P.O.W.	OW							237.8			
34	3 S.O.W.	OW							237.8			
35	Chemical Tank	CHEM								151.6		
35	Solids Tank	SOLIDS									10.4	
37	4 P.O.W.	OW							216.0			
38	4 S.O.W.	OW							233.1			
39	9 PORT	CO						149.2				
40	9 STBD	CO						149.2				
41	Overflow TK	GO				10.0						
42	Dirty Oil	MISC										16.3
43	Sludge Oil	MISC										10.0
44	Oily WT Dirty	MISC										1.2
45	Oily WT Clean	MISC										1.8
46	C/D 74-85	MISC										28.0
47	FWD Go Service TK	GO				61.1						
48	FWD GO Socking TK	GO				68.2						
49	AFT Go Service TK	GO				48.2						
50	AFT Go Socking TK	GO				36.8						
51	Thermal Oil Storage TK	LO					17.6					
52	LO Main Eng	LO					18.5					
53	LO Aux Eng	LO					6.6					
54	LO Bow THR	LO					6.8					
55	LO Spare TK	LO					6.9					
56	LO Spare TK	LO					7.0					
57	LO Azimuth Thruster	LO					5.5					
58	LO Drop TK	LO					4.8					
59	Thermal Oil Drain TK	LO					17.2					
61	Void 22-27	MISC										360.1
62	Red Damp TK	SWB			508.7							
63	6 Centre	CO						781.3				
64	7 Centre	CO						846.4				
65	8 Centre	CO						973.5				
66	Aft Peak TK PS	PW	263.0									
67	Aft Peak TK SB	FW	263.0									
70	GO TK Emerg Gen	GO				0.7						
71	TK Top Gear Azimuth P	LO					1.1					
72	TK Top Gear Azimuth S	LO					1.1					
<b>TOTALS</b>			<b>1439.1</b>	<b>1826.4</b>	<b>1356.1</b>	<b>878.1</b>	<b>93.2</b>	<b>3381.2</b>	<b>1414.5</b>	<b>151.6</b>	<b>10.4</b>	<b>612.6</b>

This specification is subject to change without prior notification. The particulars are believed to be correct, but are not guaranteed.



## FPSO SEILLEAN TECHNICAL DATA



### OFFICE – BERGEN

FRONTIER DRILLING ASA  
Stateminister Michelsensveg 38  
PB 6076 – Postterminalen  
5892 BERGEN  
Norway  
Telephone: (+47) 55 92 28 20  
Telefax: (+47) 55 92 28 30  
URL: [www.frontier-drill.com](http://www.frontier-drill.com)

### OPERATIONS – BRAZIL

FRONTIER DRILLING DO BRAZIL LTDA  
Edifício Liberty Center 9<sup>th</sup> floor  
Av. Nossa Senhora da Penha 387  
Santa Lucia – Vitoria – ES, Brazil  
CEP: 29.056-245  
Telephone: (+55) 27 3334 8600  
Telefax: (+55) 27 3334 8610  
URL: [www.frontier-drill.com](http://www.frontier-drill.com)



# SEILLEAN TECHNICAL DATA

<b>PARTICULARS</b>	<b>NAME</b>	FPSO SEILLEAN		
	<b>REGISTRATION</b>	Republic of Panama		
	<b>KEEL LAID</b>	18 September 1986		
	<b>CONSTRUCTION COMPLETED</b>	1989		
	<b>DESIGN</b>	Harland & Wolff Shipbuilding & Heavy Ind. Ltd, Belfast, Ireland		
	<b>CLASSIFICATION</b>	Lloyds +OI100A1, Floating Production & Oil Storage Installation, DP(AA), +LMC, UMS, IGS Additionally under Lloyds rules, part 7, chapter 2.1.1. Seillean is a category 2B ship.		
	<b>PRINCIPLE DIMENSIONS</b>	<b>LENGTH (LOA)</b>	819.22 ft	249.7 m
		<b>LENGTH (LBP)</b>	764.43 ft	233.0 m
		<b>BREADTH</b>	121.40 ft	37.0 m
		<b>DEPTH</b>	67.26 ft	20.5 m
<b>HEIGHT ABOVE KEEL</b>		259.05 ft	78.96 m	
<b>MOONPOOLS</b>		Riser moonpool diameter is 9.3 m Separate moonpool for ROV operations		
<b>HELIDECK</b>		24 m x 27 m	Rated for S61-N	
<b>DRAUGHT</b>		<b>OPERATING</b>	36.22 ft	11.04 m
		<b>MAXIMUM DRAFT</b>	37.88 ft	11.54 m
		<b>DISPLACEMENT</b>	79 608 tons	
	<b>MANUFACTURER</b>	Converteam		
	<b>TYPE</b>	A-series Marine Controller		
<b>DP SYSTEM</b>	<b>DP PARAMETERS</b>	Radius 6% water depth for watch-keeping circle		
	<b>WATER DEPTH</b>	246 - 6562 ft	75 - 2000 m	
	<b>VESSEL ORIENTATION</b>	Stem to wind		
	<b>ORIGIN POINT</b>	Centre of moonpool (riser)		
	<b>CAPACITIES</b>	<b>CARGO TANKS</b>	46 673 m <sup>3</sup>	
<b>BALLAST TANKS</b>		44 186 m <sup>3</sup>		
<b>ANTI-ROLL TANK</b>		(full capacity)	8 045 m <sup>3</sup>	
<b>ANTI-ROLL TANK</b>		(working level at 10.0m)	5 416 m <sup>3</sup>	
<b>PRODUCED WATER TANK</b>		1 659 m <sup>3</sup>		
<b>SLOP TANKS</b>		2 556 m <sup>3</sup>		
<b>DIESEL FUEL OIL</b>		TBA m <sup>3</sup>		
<b>PRODUCED FUEL GAS</b>		Nil		
<b>HELICOPTER FUEL</b>		Nil		
<b>LUBRICATING OIL</b>		118 m <sup>3</sup>		
<b>FRESH WATER</b>	260 m <sup>3</sup>			
<b>DISTILLED WATER</b>	217 m <sup>3</sup>			

<b>POWER &amp; DISTR.</b>	<b>MAIN POWER</b>	3 x MAN 4045 4.2MW, 800 rpm 3 x Ruston Gas Turbines TB6400 3.3 MW ISO rating
	<b>POWER DISTRIBUTION</b>	High Voltage 6.6kV 60Hz 3 phase through 3 wire and insulated neutral, Medium Voltage is 440V.
	<b>EMERGENCY GENERATOR</b>	Cummins, 12cyl, 7608HP continuous, 626 kVA output
	<b>PROPULSION / DP</b>	7 x electro-hydraulic 3.0 MW variable pitch thrusters manufactured by Schottelships.

<b>RISER HANDL.</b>	<b>DERRICK</b>	Leo C Moore, height 147 ft Load capacity 450 tons (1,000,000 lbs)
	<b>DRAW-WORKS</b>	Idaco E-1700
	<b>CROWN BLOCK</b>	Leo C Moore 600 ton, SWL of 300 ton static
	<b>TRAVELING BLOCK</b>	Oilwell 650 ton, SWL of 300 ton static

<b>PROCESS EQUIPMENT</b>	<b>HP SEPARATOR</b>	Whitely Road. Design pressure 19.2 Barg and full vacuum. Design oil throughput 16,200 stbpd. Produced water 10,000 stbpd. Maximum combined 25,000 stbpd. Max. capacity of 25 m <sup>3</sup> . Operating capacity of 16 m <sup>3</sup> .
	<b>LP SEPARATOR</b>	Whitely Road. Design pressure 5.0 Barg. Capacities as HP separator.

<b>PROCESS EQUIPMENT</b>	<b>OIL IN WATER SEP</b>	Plenty Methrol. Design pressure 14.0 Barg. Total oil in effluent water less than 40 ppm.
	<b>HP GAS COOLER</b>	Motherwell Bridge Fabricators.
	<b>HP GAS KNOCKOUT</b>	Plenty Methrol.
	<b>SAND TRANSFER</b>	Warman International.
	<b>PRODUCED WATER</b>	City water analyzer from Turner Design model TD-4100XD Maximum oil in water content for overboard discharge is 20 ppm.
	<b>OFFLOADING SYSTEM</b>	Floating Hose

<b>SUBSEA</b>	<b>MARINE RISER</b>	6-5/8" drill pipe riser with 6" bore, aluminium coating
	<b>RISER TENSIONING</b>	6 x Maritime Hydraulics 46.7 tons (103 kips) on single wire

<b>MISCELLANEOUS</b>	<b>ACCOMMODATION</b>	85 beds (39 single cabins + 23 double cabins)
	<b>LIFE BOATS</b>	2 x Fast Rescue Crafts. 2 x Lifeboat with capacity for 85 persons each.
	<b>LIFE RAFTS</b>	4 x 25 man (two each side) davit launched 2 x 10 man & 2 x 25 man (1 each side) manual launched 2 x 10 man (1 each side) manual launched
	<b>DECK CRANES</b>	Soatrac Model MONARCH 6032, diesel hydraulic, rated capacity is 51.73 ton at 17 m and 23.12 ton at 32 m Liebherr: Electro hydraulic, capacity 20 tons at 26 m radius Liebherr: Electro hydraulic RL 10/20 Ex Capacity of 10 tons Liebherr: Electro-hydraulic, capacity 20 tons at 26 m radius
	<b>SEWAGE PLANT</b>	2 units with capacity of 4550 ltrs/day each

## Suezmax Tankers

SHIP	YARD	DELIVERED	FLAG	CLASSIFICATION SOCIETY	DWT / GRT	DP SYSTEM	LOADING SYSTEM	ICE CLASS	Vessel photo
<u>Evi Knutsen</u>	Dalian Shipyard, China	1989.	NIS	DnV	126,352 / 72,120	1	BLS	-	
Navion Fennia	K.M.Y. TURKU PANSIO	Aug 05, 1992	Bah	LR	95,195 / 51,136	1	BLS	1C	
<u>Loch Rannoch</u>	Daewoo Heavy Industries	Aug 17 1998	UK	LR	130031 / 75526	2	BLS	-	

## Shuttle Tankers

Shuttle tankers are oil tankers specially designed to perform offshore loading of crude oil or condensate from different offshore loading systems. The vessels are equipped with special bow loading systems or submerged turret loading system to be compatible with the systems installed on the different offshore fields. The shuttle tankers are also equipped with dynamic positioning system. There are no such vessels of this size and capability currently under US flag.

# Long-Term BOP Containment CDP 1 and CDP 2



## **BOP Connection**

- Single BOP connection with dual-offtakes for subsea flexibles to Pisces and Helix Producer subsea systems
  - Enhanced Latching Cap or Flanged Connection or Flex-Joint Overshot (Grip and Seal)

## **Suction Pile**

- CDP #1 Suction Pile location west of BOP
- CDP #2 Suction Pile proposed location North of BOP

## **Manifold**

- CDP Manifold #1 provides functionality for system overpressure, hurricane venting and dispersant injection
- BOP Offtake #2 straight from BOP to FSR #2 to Toisa Pisces or Helix Producer

## **Subsea Autonomous Dispersant Injection**

- Phase 1 (gravity) installed on the seafloor on July 4, Phase 2 (electric pump) and Phase 3 (plume turbine) being worked

## **Free-Standing Riser**

- CDP FSR #1 connected to Toisa Pisces or Helix Producer
- CDP FSR #2 with dual-offtakes (1 connected + 1 spare) at URA connected to second FPSO

## **Production Vessels**

- Toisa Pisces (20mbd and 56mmscfd) for CDP #1
- Helix Producer (27mbd and 80mmscfd) for CDP #2

## **Storage Vessels**

- Loch Rannoch for CDP #1
- Evi Knutsen as CDP #2 Tankering

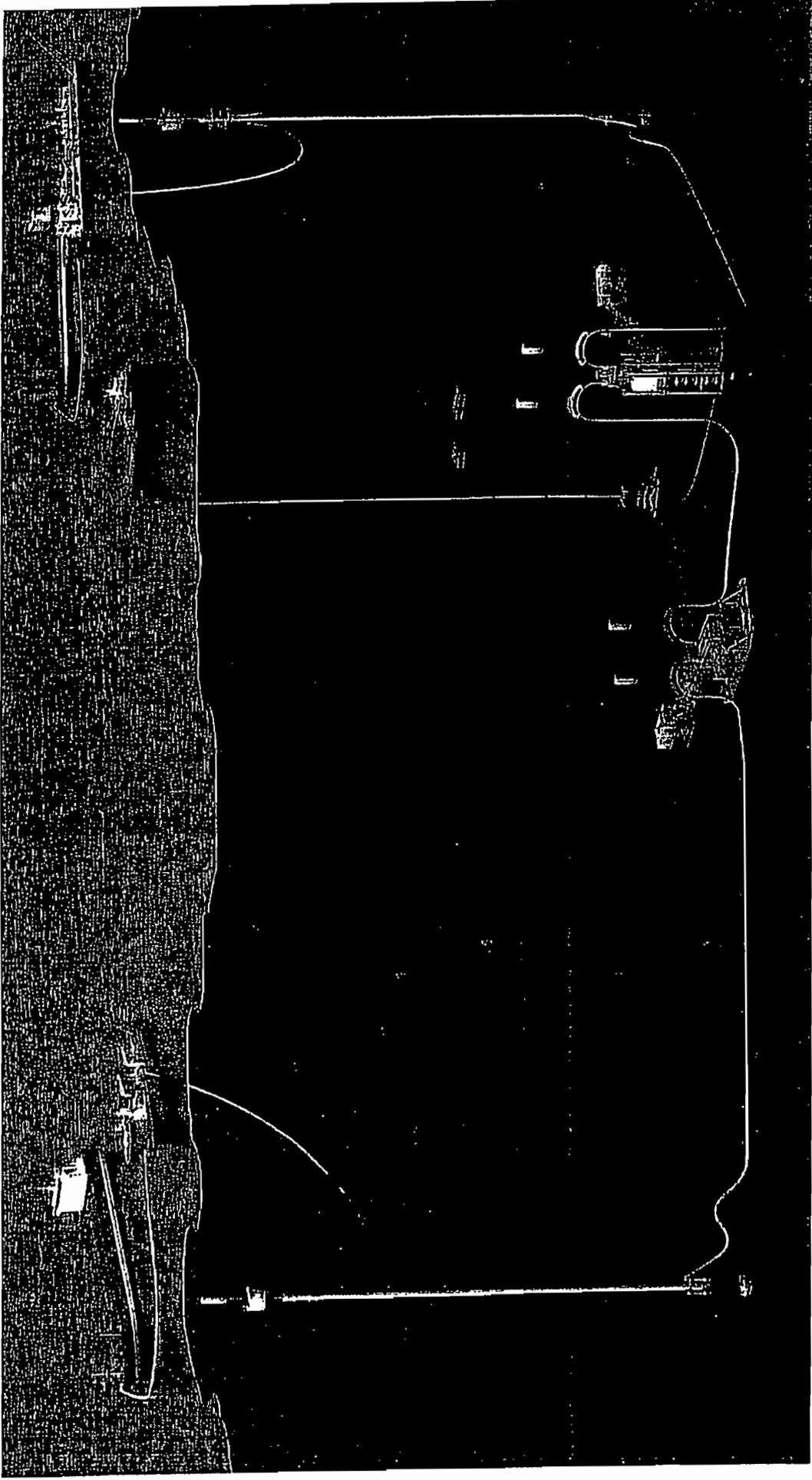
## **Chemical Injection/Ops Support**

- OI3 (TBC) for chemical injection to Manifold #1 and gooseneck BOP offtake 2, and ROV field support
- Chouest Holiday MSV for Field Support (marine operations and ROV field support)

## **Operations Readiness**

- Resourcing both the Toisa Pisces and the Helix Producer – Procedures, Commissioning Support and Ongoing Operations

# Long Term BOP Containment





Doug Suttles

Chief Operating Officer



Exploration & Production  
BP America Inc.  
501 WestLake Park Boulevard  
Houston, TX 77079

June 22, 2010

The Honorable Alan D. Bersin  
Commissioner  
United States Customs and Border Protection  
1300 Pennsylvania Avenue, NW  
Washington, D.C. 20229

Direct 281 366 3959  
Fax 281 366 7239  
Doug.Suttles@bp.com

Re: Request for Waiver of the provisions of the Merchant Marine Act, 1920, 46 U.S.C. § 55102

Dear Commissioner Bersin:

By letter dated June 19, 2010, BP Exploration & Production Inc. (BP) submitted a request for a waiver of section 27 of the Merchant Marine Act, 1920, 46 U.S.C. § 55102 (the "Jones Act") pursuant to 46 U.S.C. § 501 regarding the use and movement of a number of foreign-flagged vessels which are now, or will in the near future, be used in connection with oil spill response and containment activities relating to the DEEPWATER HORIZON Macondo 252 well incident of April 20, 2010 (the "Incident") which has resulted in the release of crude oil into the waters of the Gulf of Mexico. These vessels will be conducting operations beyond U.S. territorial waters on the U.S. outer continental shelf (OCS) in the Gulf of Mexico. We have now discovered that our June 19 letter inadvertently excluded some information regarding one of the vessels, the HELIX PRODUCER I. We are therefore submitting this revised letter, which will supersede and replace the June 19 letter.

#### REQUEST BACKGROUND:

In connection with oil spill response activities arising out of the Incident, BP has mobilized a number of vessels to assist in oil spill recovery and containment efforts. Present plans are that two or more Production Testing Vessels ("PTV") will be placed over the site of the damaged well from which the oil is being released. Each PTV will take the oil on board, stabilize it and then transfer it by pipeline or transfer hose to a classed DP shuttle tanker that will be used as a storage tanker. In the future, plans are that one or more additional vessels similar to the PTV will be established nearby either as a primary PTV, or a redundant PTV to be used to replace an existing PTV due to mechanical or operational issues. Each such additional PTV also would take on board and stabilize the oil and transfer the stabilized oil via a pipeline or transfer hose to another classed DP shuttle tanker that would be used as a storage tanker; two mirror

image systems would thus be collecting the oil, stabilizing it and then transferring it to storage tankers. A description of the containment effort and schematic of the arrangement for the facilities to be deployed in the containment effort, including the vessels referenced herein, is attached for your reference (the description and schematic remains subject to change). One of the PTVs, the HELIX PRODUCER I has no storage capacity. The TOISES PISCES (a copy of vessel description attached) has about 20,000 barrels storage capacity. A third PTV, the FPSO SEILLEAN (the "SEILLEAN"), is now being mobilized to come to the Gulf of Mexico. The SEILLEAN (copy of vessel description attached) has storage capacity of about 300,000 barrels.

Once the oil is stabilized, there is an absolute need for storage vessels to be available so that the PTV can transfer the stabilized oil and free up space for additional oil to be recovered from the damaged well.

At this time there are potentially three storage tankers capable of Dynamic Positioning (DP) that will be used. All three vessels are foreign flag. These vessels are:

LOCH RANNOCH  
EVI KNUTSEN  
NAVION FENNIA

Other similar vessels may also be considered.

These DP storage tankers are all tank vessels capable of automatically maintaining position through their DP capability. Through DP, these vessels can safely and automatically maintain position without the use of anchors or manual maneuvering controls. This allows these DP storage tankers to maintain constant relative position so as to continuously receive the oil that has been brought on the PTV and which will then be transferred to the DP storage tankers. These DP storage tankers were in fact specifically constructed to operate in the location of offshore fields so as to take on oil in deepwater and be able to safely maintain position.

At some point the DP storage tankers will need to discharge the oil received from the PTV so as to free up more space for further oil to be processed by the PTV. The base plan is to discharge the oil from these foreign-flag DP storage tankers into Jones Act qualified vessels which would then transport the oil to U.S. coastwise points for further handling.

While under good conditions it may be possible to discharge oil from the DP storage tankers onto the US flag vessels at the same point at which the DP storage tankers took on board the oil, it may also become necessary to move the DP storage tankers from their location where they took the oil on board depending on weather and operational considerations and constraints which change frequently. The DP storage tankers would either be shifted to a nearby lightering location agreed by the Captain of the Port which would allow them to discharge into a Jones Act qualified barge or tanker or may, in certain instances, need to proceed to a terminal or port or place in the United States that constitutes a coastwise point.

When weather and sea state conditions are benign, the additional loads of a barge alongside the DP storage tanker are relatively low. However, as such conditions become worse, the loads imposed by the Jones Act vessel alongside will become more de-stabilizing and, because of the hose configuration with the PTV, increase risks of spills, property damage or other casualty. The Gulf of Mexico is currently in hurricane season, but other adverse weather conditions not unusual in the Gulf of Mexico could also arise and require that the DP storage tanker go off location to discharge the oil either into the Jones Act vessel or directly to a shore facility at a US coastwise point. There is a constant and continuing need to discharge the storage tankers and not let them be at full capacity since to do so would negatively impact the ability of the PTV to continue to recover oil from the damaged well.

In addition, there are commercial and operational constraints in connection with Jones Act vessels receiving the crude oil from the DP storage tankers and thereafter discharging at key crude terminals in the Gulf Coast. These constraints require the flexibility for the DP storage tankers to be able to proceed directly to the crude terminals for discharge. Specifically:

- (i) Jones Act vessels in the range of 95,000 dwt to 135,000 dwt that could arguably provide such transportation are not generally available in today's market;
- (ii) Jones Act vessels such as barges and small tankers are not the size and type of vessels normally taken by the terminals where these vessels must discharge with oil from the PTV, raising safety and other concerns, while the DP storage tankers are the traditional size (95,000 dwt and larger) customarily taken by crude terminals;
- (iii) Many Jones Act barges that might be considered generally do not have inert gas systems on board, thereby raising safety concerns; and
- (iv) Very importantly, an adequate number of Jones Act vessels will likely not be available at certain points in time to take on the oil from the DP storage tankers, thereby resulting in a full DP storage tanker and "backing up" the process and slowing down the rate of oil recovered through lack of sufficient storage unless the foreign-flag storage vessel is permitted to discharge at a crude terminal in the United States.

Similar to the DP storage tankers, the TOISES PISCES and SEILLEAN may also be required to move off location due to heavy weather, emergency, or need to discharge while other vessels replace one of them on location. These PTVs may be able to return to the same location to discharge the barrels then stored, but operational and/or safety or other issues may require the vessels to discharge at a location other than that where the barrels were loaded so that recovery and storage of oil may continue with no or minimal interruption.

## REQUEST AND JUSTIFICATION

Our reading of CBP opinions is that CBP would consider the movement of the DP storage tankers – even a very short movement of 500 meters – to be a violation of the Jones Act in that any purposeful movement of the vessels from the location where the oil was taken on would be considered a “part of the transportation” to another coastwise point. Similarly, CBP has ruled that an FPSO, if required to move off location due to an emergency, will be in violation of the Jones Act if the cargo on board at the time it disconnects is discharged at any location other than the point where the cargo was loaded. (We note that to our knowledge there have been no court decisions on these points generally nor has CBP or any court ruled on the unique circumstances of this situation).

Based on the foregoing understanding of the CBP position, BP requests this waiver for the DP storage tankers to be allowed to move from the point where they first take on the oil: (i) to another nearby point over the OCS as determined by the FOSC (Federal On-Scene Coordinator) and the Master of the DP storage tanker where it can then safely discharge the oil into Jones Act vessels, or (ii) to a port or place as approved by the FOSC in the United States where the DP storage tanker could discharge the oil then on board into a terminal or other vessel or facility. In addition, BP requests a waiver be granted so that the TOISES PISCES and/or SEILLEAN are allowed to move from the point where they first take on oil to another location for discharge as described for the DP storage tankers above and on the same basis as requested above for such DP storage tankers. We ask these waivers remain in effect for a minimum period not to exceed such time as when BP either successfully kills the MC 252 well through the drilling of the relief wells or otherwise brings the MC 252 well under complete control, or until such time as the FOSC determines it to no longer be necessary, whichever is earlier.

BP would submit that i) there are no Jones Act vessels of the appropriate size available to perform the unique services and operations of the DP storage tankers (BP’s understanding is that there are in fact no Jones Act tankers of appropriate size capable of maintaining position through DP), and ii) the granting of this waiver is in the interest of national security. On the latter point, the risk of further spills through the transfer of recovered oil in what could constitute unsafe conditions, the need for the PTV to be able to transfer oil as needed so it may continue to recover oil being released from the damaged well and stabilize the oil so recovered, and the minimization of risk to life and property and potential delays to oil recovery will all further the efforts to mitigate the effects of the Incident and more quickly stabilize the situation and allow for recovery of the maximum amount of oil feasible.

There is ample precedent for this request. Similar waivers were granted after the EXXON VALDEZ incident and Hurricanes Katrina and Rita and in each instance the U.S. Government found that it was in the interest of national defense to issue limited waivers of the Jones Act.

We attach specification sheets for the 3 DP storage tankers mentioned. Please note however that other similar type vessels may be utilized so we request the waiver, if granted, be extended to those other vessels as well.

Thank you for your attention to this request; we ask that you please reply as soon as possible.

Sincerely,

(b)(6), (b)(7)(C)

Douglas J. Suttles

Attachments

cc: FOISC (w/attach.)

# Nicoletti Hornig & Sweeney

JOHN A.V. NICOLETTI  
JAMES T. SWEENEY  
DAVID K. HORNIG  
FRANK M. MARCIGLIANO  
MICHAEL J. CARICHI  
BARBARA A. SHEEHAN  
NOOBHIN NAMAZI  
ROBERT A. NOVAK  
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VAI WAMSER  
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SCOTT D. CLAUBEN  
NATHANIEL EICHLER  
FARA KITTON  
JAMES E. MORRIS  
DAVID L. GIGMON

June 21, 2010

\* ALSO ADMITTED IN TEXAS  
\* ALSO ADMITTED IN NEW JERSEY  
\* ALSO ADMITTED IN CALIFORNIA  
\* ALSO ADMITTED IN MARYLAND

Mr. Glen E. Vereb  
Chief, Cargo Security, Carriers and Immigration Branch  
Regulations and Rulings  
Office of International Trade  
U.S. Customs and Border Protection  
Department of Homeland Security  
By email only to: (b)(6), (b)(7)(C)

Dear Mr. Vereb:

Re: MODU DISCOVERER ENTERPRISE  
Application for a Waiver of the Jones Act, 46 U.S.C. §§ 501(b), 55102(b).

We are attorneys representing Triton Hungary Asset Management LLC, the Owner of the MODU DISCOVERER ENTERPRISE. The ENTERPRISE is a Marshall Islands flag vessel with a capability, unique for drill rigs, of receiving sizeable quantities of effluents, separating out the water from the oil, and retaining the oil in her storage tanks.

She is currently positioned in the Gulf of Mexico above the well which blew out and caused the loss of the MODU DEEPWATER HORIZON. Congress has designated this position as a point subject to the coastwise laws of the United States. Outer Continental Shelf Lands Act, §4(a), 43 U.S.C. §1333(a). The ENTERPRISE is receiving thousands of gallons of effluent daily through a riser and cap connected to the severed wellpipe, and she is transferring the captured oil to lighters for carriage to points in the continental United States.

June 21, 2010

Page - 2 -

The Jones Act provides that carriage of merchandise, in whole or in part, between points in the United States embraced within the coastwise laws, may be undertaken only by a U.S. flag vessel built in the United States and owned by persons who are citizens of the United States. 46 U.S.C. § 55102(b).

Although the oil derived from the effluents does constitute merchandise, and the ENTERPRISE is a foreign flag vessel, merely her receipt of the effluents at the riser does not constitute carriage between two U.S. points. Since the lighters moving the oil ashore from the ENTERPRISE are U.S. flag ships with coastwise trading privileges, her current operations do not raise a Jones Act issue.

However, in the foreseeable future it will become necessary for the ENTERPRISE to disconnect from the riser in order for the cap to be replaced, and perhaps for other reasons as well, in connection with efforts to capture even more effluents from the leaking wellpipe until the relief wells can be completed sometime later this year. The Coast Guard has established a 500 meter safety zone in the Gulf above the wellpipe. 75 Fed. Reg. 32275. When the ENTERPRISE casts off from the riser, she will need to move outside the safety zone. While she waits in the vicinity until it is safe for her to return, it would obviously facilitate future efforts to cope with the leak if she offloaded whatever captured oil she might still have onboard into the lighters, in order to free up her storage tanks in anticipation of reconnecting to the riser.

We are aware that under earlier rulings of your office, lightering by the ENTERPRISE, to a point only a thousand meters or more away from the riser, would constitute carriage in part in the coastwise trade between the riser and the shore, in violation of the Jones Act.

There are no vessels with coastwise trading privileges which can perform the operations in which the ENTERPRISE is now engaged.

In order to provide added support to the efforts of the ENTERPRISE to cope with receiving large quantities of effluents from the leaking well, we request that a Jones Act waiver be issued in the interest of national defense, as provided in the 46 U.S.C. § 105(b), to authorize offloading captured oil from the vessel to U.S. flag lighters with coastwise trading privileges, within a 3,500 meter radius of the Coast Guard's safety zone.

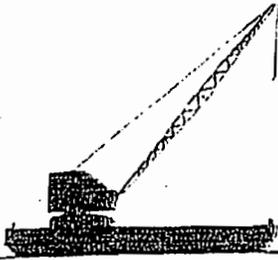
We are sending a copy of this application to RADM James A. Watson, the Federal On-Scene Coordinator, requesting that he add his favorable endorsement to it.

Very respectfully

(b)(6), (b)(7)(C)

Michael Marks Cohen

cc: RADM James A. Watson



---

**CASHMAN EQUIPMENT CORP.**

Marine and General Contractor

May 26, 2010

Department of Homeland Security  
U.S. Customs & Border Protection  
Attn: Glen Vereb  
1300 Pennsylvania Ave, N.W.  
Washington, D.C. 202229

Dear Glenn,

Cashman Equipment Corp has been requested to provide barges to BP and other entities involved in the cleanup of the Gulf of Mexico Oil Spill. The type of barges required are large (250' or longer) ocean going flat deck barges.

The barge owners must consent to major structural changes caused by the installation of equipment and operational modification of the barge. The vessel must have a complete set of ABS stamped plans and all classification paperwork in order and no inspections due for the rest of the year. Barge and owner must be in compliance with Oil Pollution Acts by having a valid Certificate of Financial Responsibility (COFR). The facilities to fabricate and install equipment are located in the vicinity of Morgan City, LA.

Currently, there are not sufficient barges to support this need. We have contacted J.Ray McDermott, Canal Barge, McDonough, Otto Candies and Manson. None of these companies have barges they can commit to this project.

As the need far exceeds the availability of "Jones Act Qualified" barges, we request a waiver to utilize "Unqualified Non Jones Act" registered barges in response to this national emergency. We currently have up to nine Unqualified barges, JMC2508, JMC2509, JMC2511, JMC2515, JMC2516, JMC3003, JMC3004, JMC3009, and JMC3331 ready to respond.

We understand that the Unqualified barges can operate in this capacity beyond the 3 mile limit. This is based on the concept that the contaminated oil waste "skimmed" from the waters does not constitute coastwise point of pickup of cargo.

Cashman Equipment requests a waiver for the use of its Unqualified Barges within the 3 mile limit. This is an operational requirement to facilitate operations. In pursuit of the pollution, we do want a man-made boundary to limit our ability to clean the environment.

May 27, 2010

As time continues to worsen this disaster, these waivers will allow for immediate meaningful response of equipment to the area. If you have any questions or concerns, I can be contacted at (b)(6),(b)(7)(C)

Regards,

(b)(6),(b)(7)(C)

Raymond Riddle  
Projects Director  
Cashman Equipment Corp

# **Allegiance Capital Corporation**

5429 LBJ Freeway, Suite 750 • Dallas Texas • 75240  
Phone: 214.217.7750 • Fax: 214.217.7751 • www.allcapcorp.com

June 16, 2010

VIA Facsimile and Express Mail Fax: 202-372-1933 Ph.: 202-373-1710

Admiral Thad Allen  
National Incident Commander  
Deepwater Horizon Response  
2100 Second St. S.W.  
Washington, DC 20593-0005

Re: Request for Merchant Marine Act of 1920 (Jones Act) Waiver

Admiral Allen:

We are hereby requesting the waiver of the Jones Act in order to bring certain internationally flagged oil skimming vessels and equipment and housing vessels into the Gulf of Mexico for the purpose of facilitating the remediation of the ongoing oil spill from the Deepwater Horizon disaster.

Section 55113 of the Jones Act provides in part, "an oil spill response vessel documented under the laws of a foreign country may operate in waters of the United States on an emergency and temporary basis, for the purpose of recovering, transporting, and unloading in a United States port oil discharged as a result of an oil spill in or near those waters".

Section 55113 further states in part, "If, (1) and adequate number and type of oil spill response vessels documented under the laws of the United States cannot be engaged to recover oil from an oil spill in or near those waters in a timely manner, as determined by the Federal On-Scene Coordinator for a discharge or threat of a discharge of oil;"

Admiral, based on public statements by those in charge of the spill control and remediation, and based on direct feedback from BP and its subcontractors, there are no more U.S. hulled oil skimmers that can be deployed and there remains an urgent need for these specialized vessels. There would be limited, if any, impact on the U.S. Coastwise trade. This is the type of situation which Section 55113 was meant to address. We, therefore, request your immediate waiver of the Jones Act relative to 12 of these vessels for which we request the waiver. A specification sheet and photos are attached as Exhibit A - Oil Skimmer Vessels.

In addition to the oil skimming vessels, my firm has secured an equipment and housing vessel that is perfectly suited for the housing and transport of workers and equipment in the Gulf. This vessel will house up to 800 workers and has an enclosed ferry deck that will hold the equivalent of 175 cars. This deck can be used for equipment and tool storage, boom storage and transport, foul weather shelter, animal cleaning and housing, vehicle storage, etc. Several parties, including BP are interested in this vessel subject to a Jones Act waiver being issued. We are, therefore, requesting a Jones Act waiver for this vessel. This vessel has been issued a U.S. Coast Guard Certificate of Compliance in the past and will currently past certification. A summary of this vessel is attached hereto as Exhibit B-Equipment and Housing Ship.

Sincerely,

(b)(6), (b)(7)(C)

Fred McCallister

ATTACHMENTS

**Exhibit A**

**Oil Skimmer Vessels  
(Twelve vessels of like kind)**

**Specifications**

Service type	Weir
Application	Self-propelled
Length overall	18,95 m
Length Between Perpendiculars	18,00 m
Beam	4.50 m
Depth	2.40 m
Draught	1.66 m
Width	4.50 m
Displacement	70.63 tons
Dead Weight	22.76 tons
Oil Tanks Capacity	22.00 tons
Receptacle Capacity	8.00 m <sup>3</sup>
Debris cont. capacity	3.50 m <sup>3</sup>
Sweeping width	8.10 m
Lifting Weight	50.00 tons
Recovery rate for oil thickness 1mm	12.00 m <sup>3</sup> /hr
Max Pumping rate	40.00 m <sup>3</sup> /hr
Max speed	6.00 knots
Speed for oil Recovery	0 - 3 knots
Engine Power	100 kw
Manning (Crew)	2 persons
Oil types applicable	I, II, III, IV, V

7116 gal 6,300 gallons

30 ft

3200 gal/hour

**Operational Guidelines.**

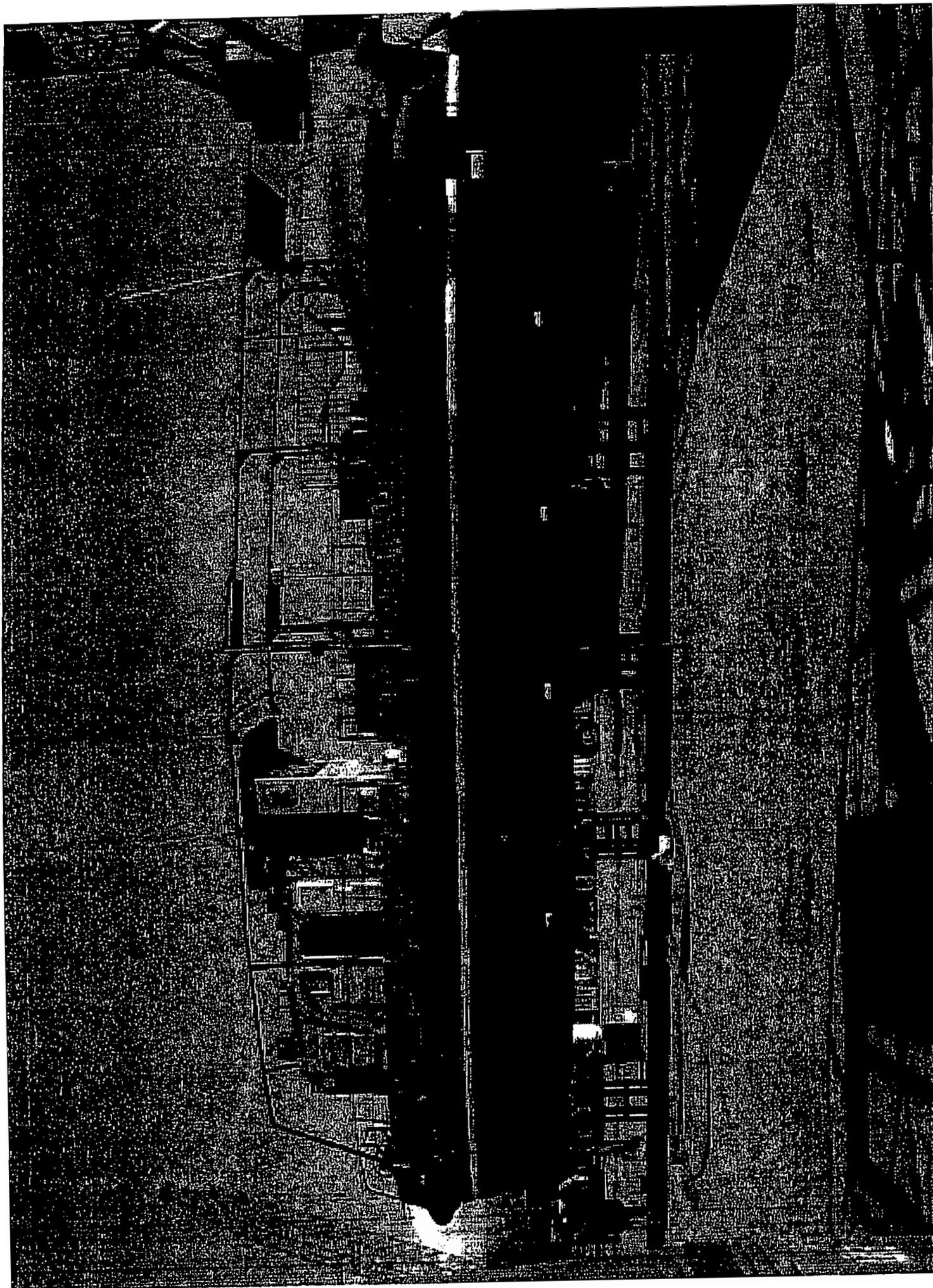
The oil skimmer and garbage sweeper (b)(2) is designed for the collection of the encroached oil products, densed oil fuel, kerosene and all kinds of garbage and floating items, on the water surface in harbours, roads and in the sea. The oil skimmer and garbage sweeper (b)(2) can collect oil from the sea during oil spill response operations and receive oily slops from the ships to transfer them and is capable of navigating and operating in inland waters.

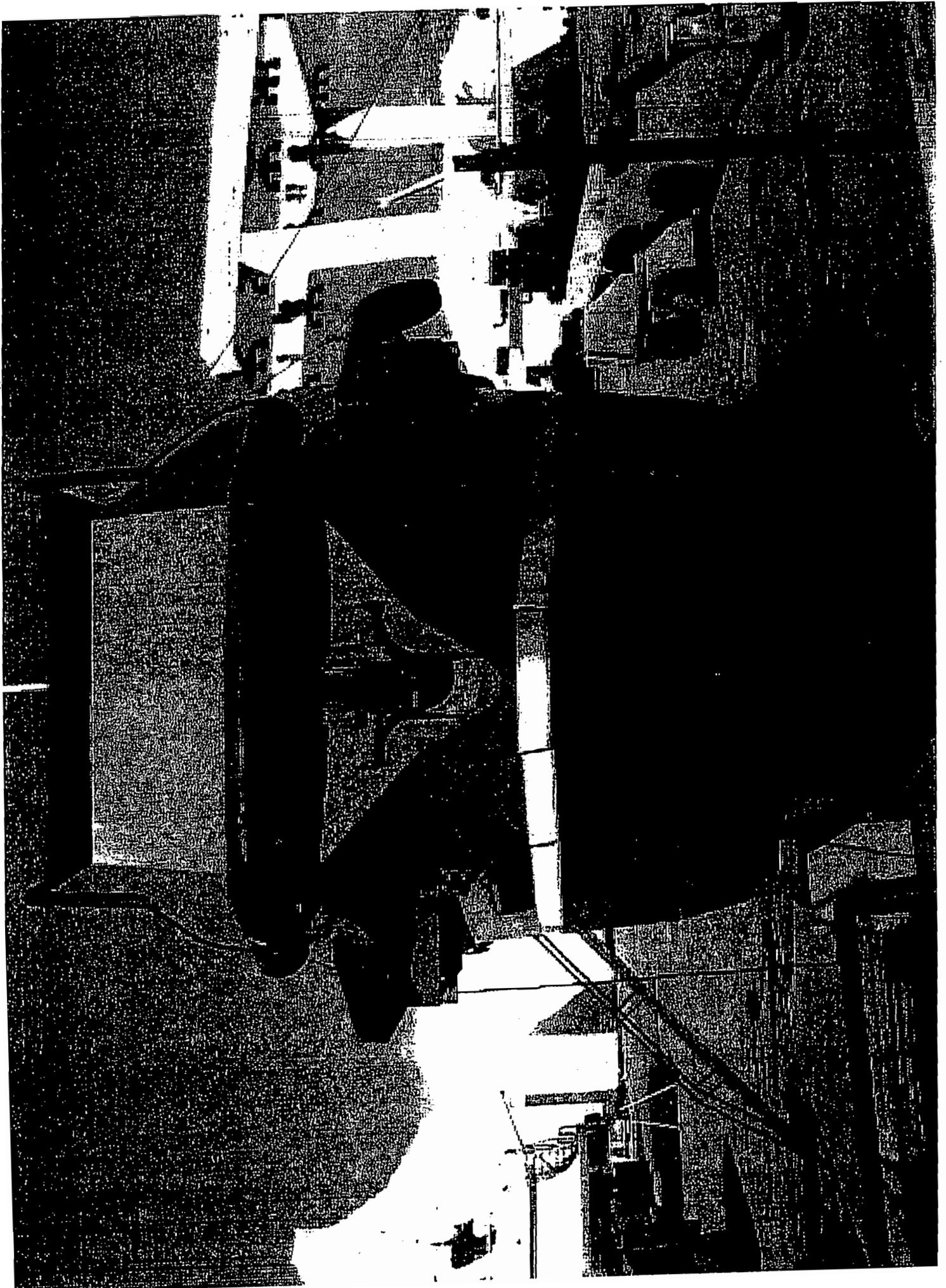
Oil products and garbage come to the receiving tank by means of a propeller, which creates a surface flow through the pipe and the bottom channel. Clean water from the lower part of the tank is pumped overboard. The oil and water mixture is pumped through the oil receivers, which are located at the stern part of the receiving tank on its transverse bulkhead, into the oil tanks located between the longitudinal bulkheads and boards.

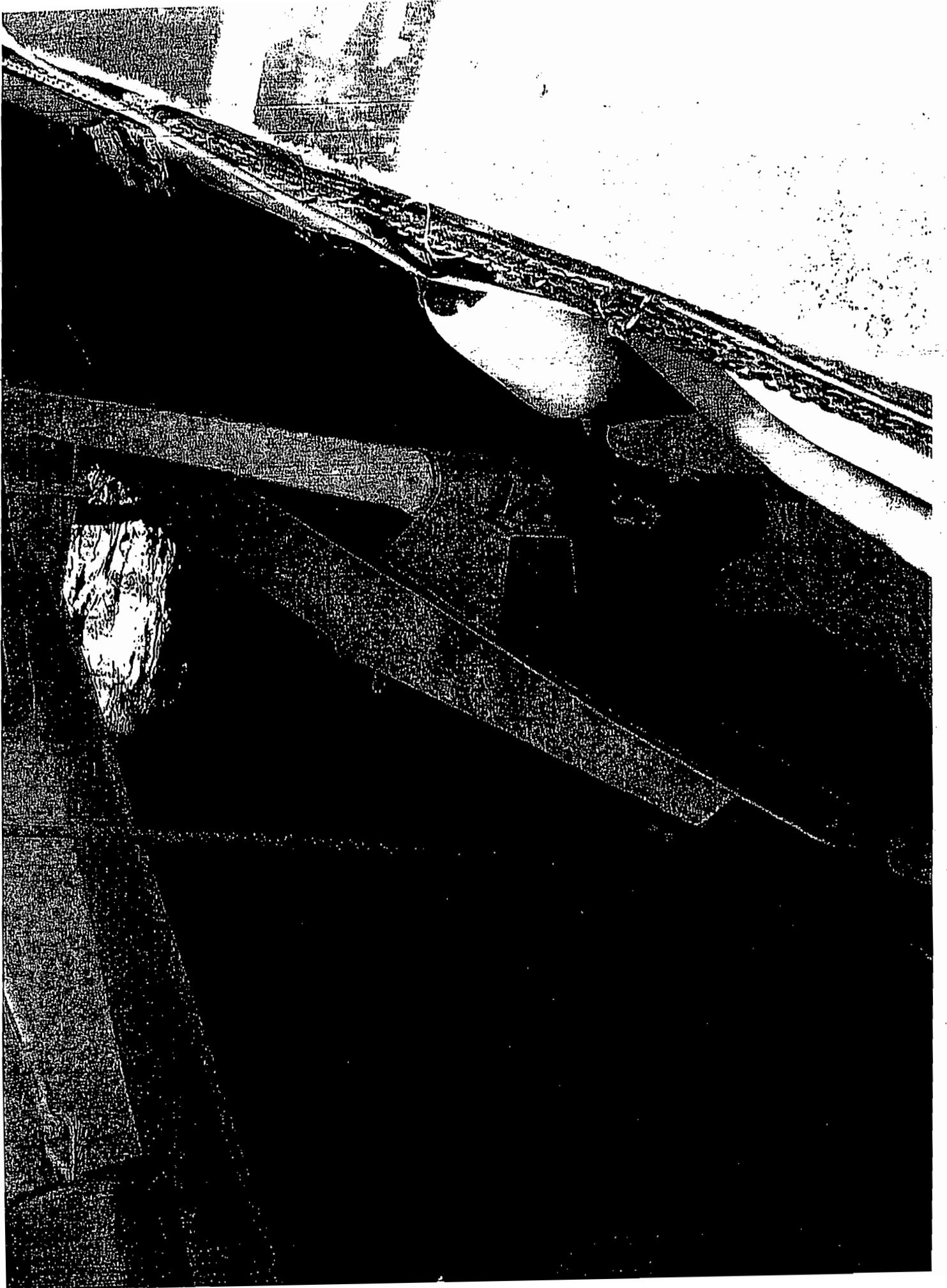
In the bow part of the vessel, there is a slide valve regulating the thickness of the upper water layer coming into the receiving tank. Above the receiving tank there is a garbage-collecting container with a mechanical scoop for discharging the collected garbage into a removable 5m<sup>3</sup> metal container.

The high manoeuvring ability of the garbage sweeper is achieved by means of a water jet propeller and a steering arrangement. The vessel could be equally successful in fulfilling its task in small harbours and in the corners of piers, between the piles and the ships, as well as between the ships and the moorage walls. Easily operated by two men, are specially equipped for operation by night.

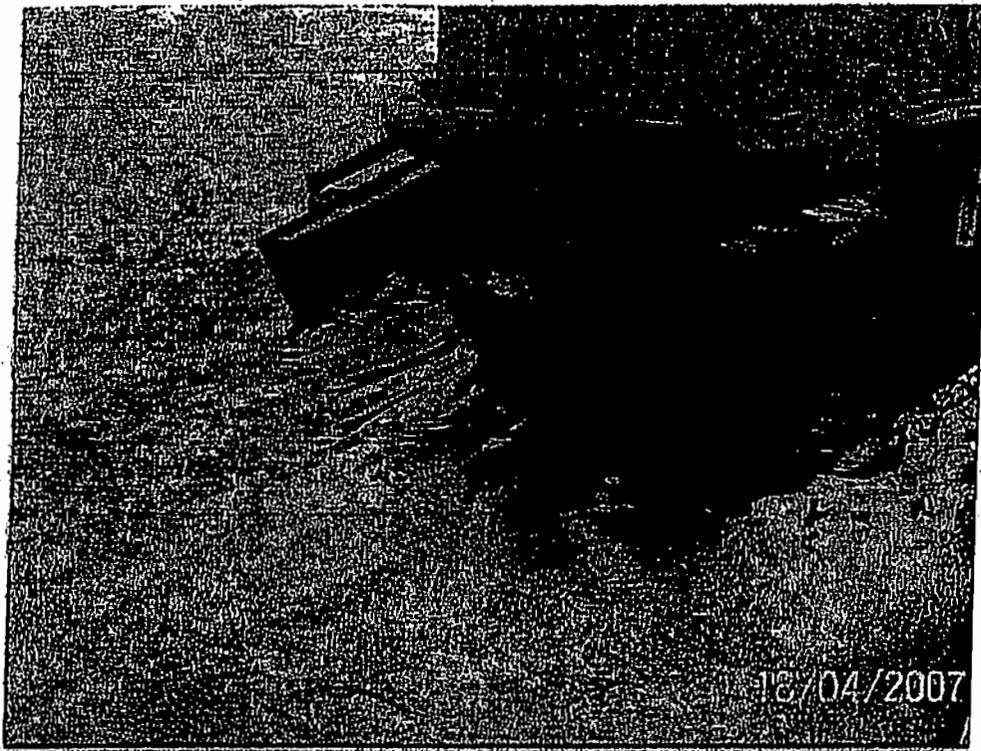
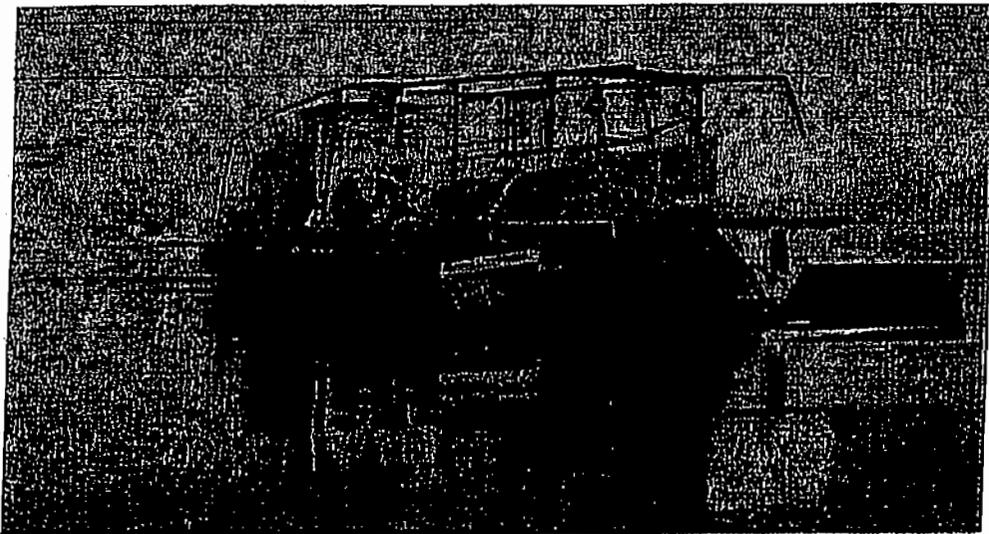
The vessel is spark protected and can be operated in high risk environments such as oil terminals.

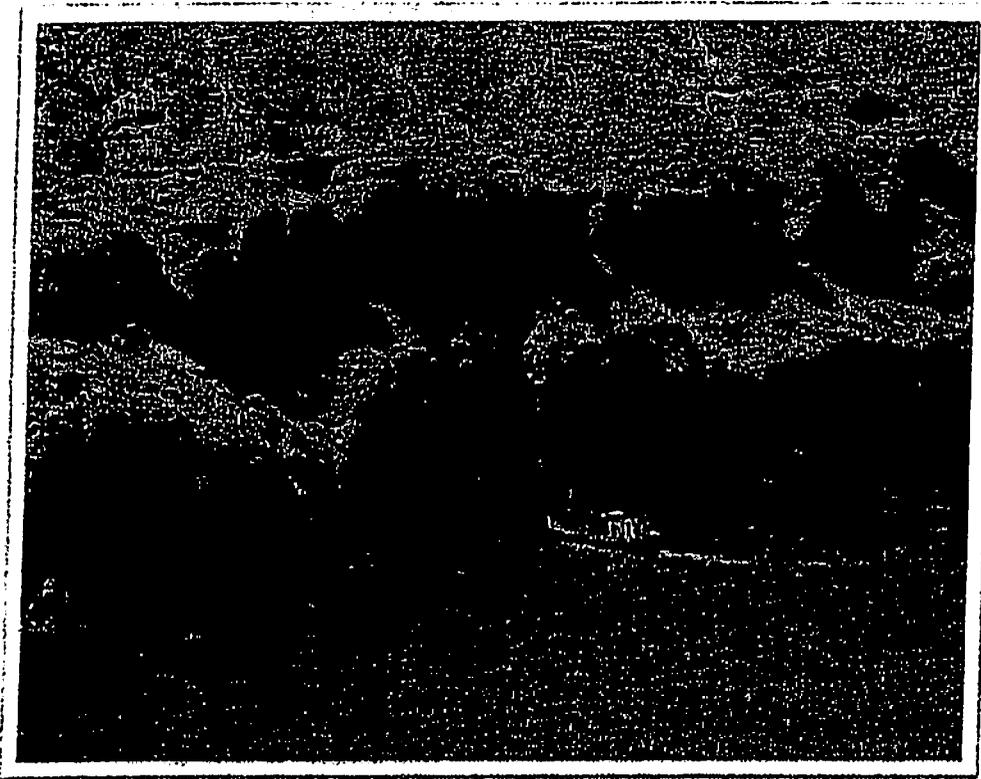
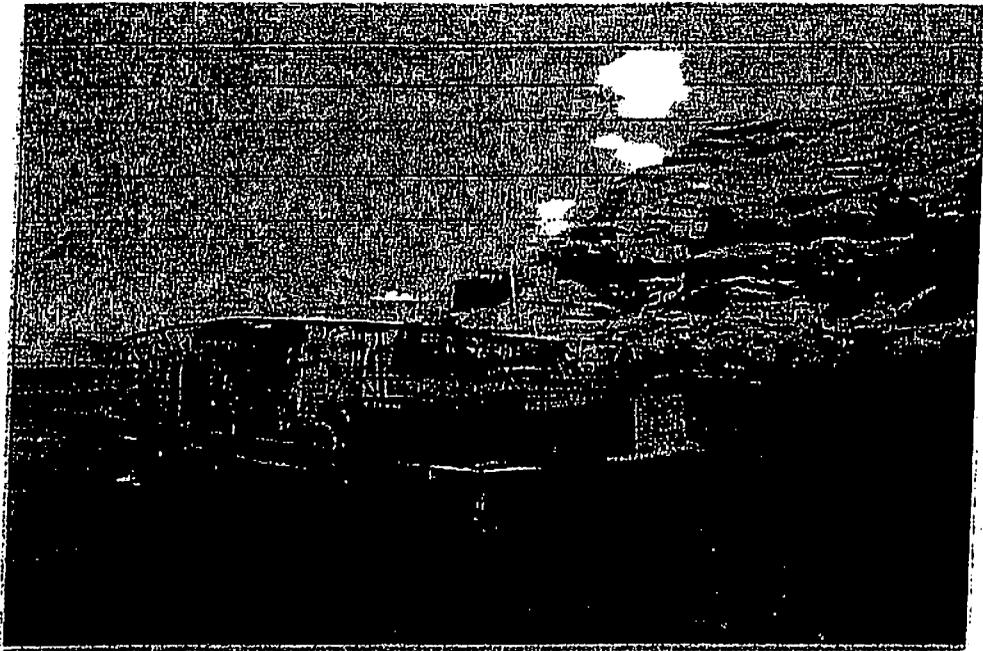






There is also the possibility to use systems high-pressure hot water/steam spraying and chemical dispersants.



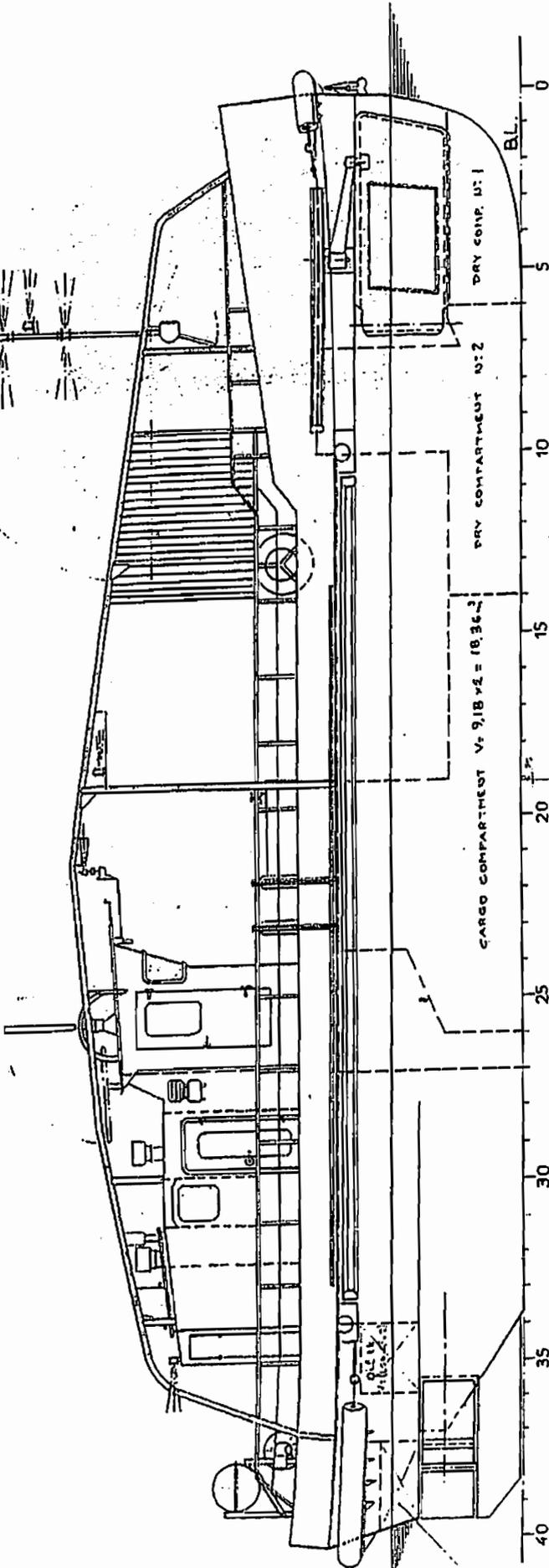


I believe that the above information is sufficient for (b)(6) and will help him put together a presentation.

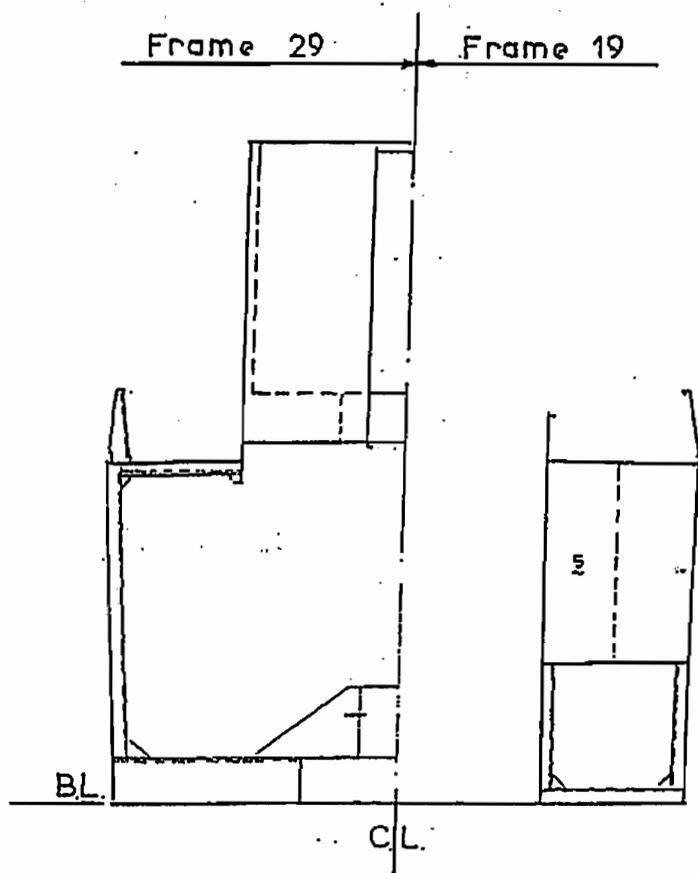
(b)(2)

# GENERAL ARRANGEMENT

PROFILE

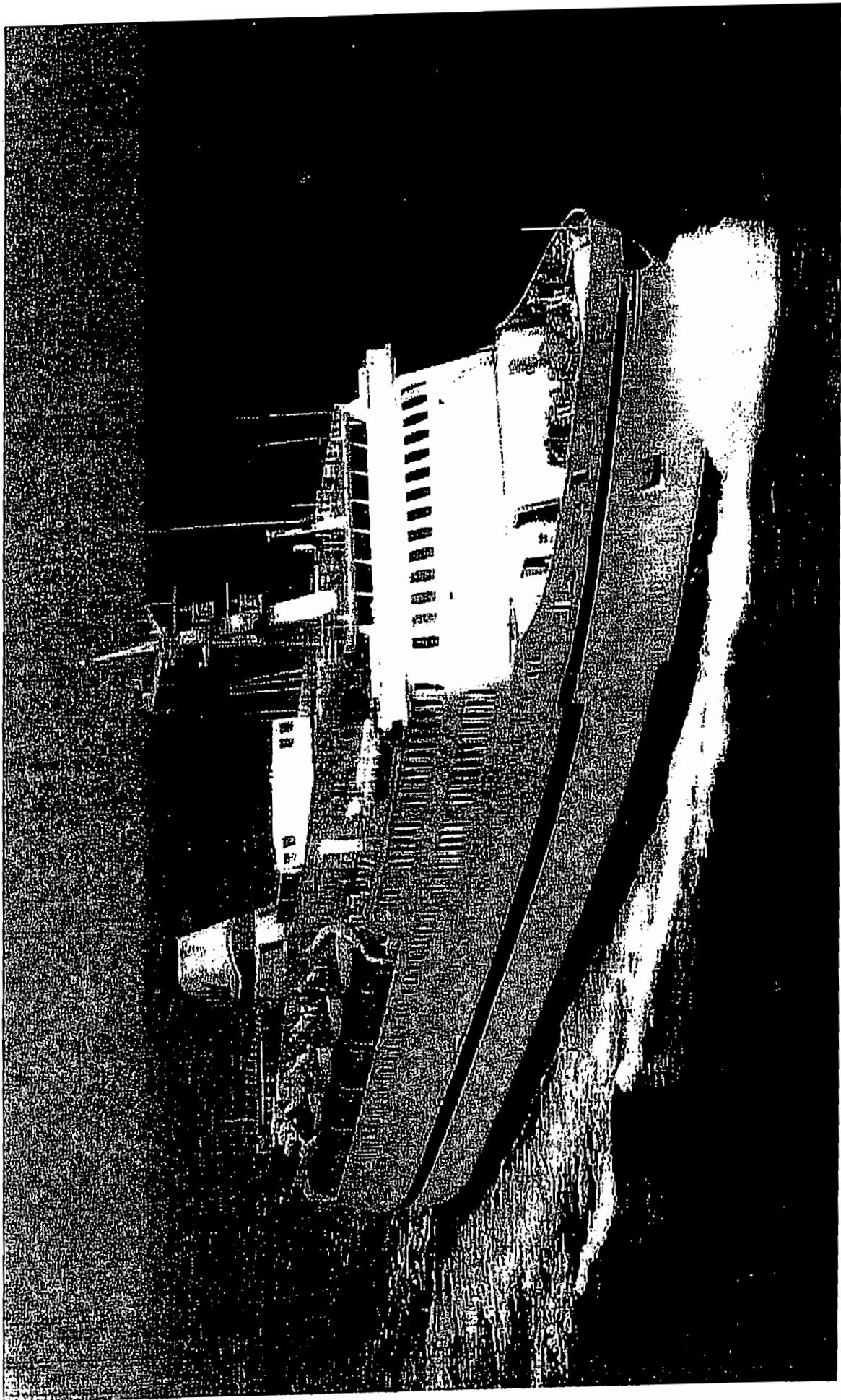






**Exhibit B**

**Equipment and Housing Ship**



# Features

- Accommodations for up to 800 passengers
- 322 passenger cabins
  - Complies with Solas 2010 – Bureau Veritas Class
  - Previously U.S. Coast Guard Certified
  - Private toilet and shower in each cabin
- 322 seat dining room
- Public areas with live television and movie options
- Option for using shore power
- Cargo deck
  - Capacity to hold up to 30 crew boats or 175 trucks
  - Bow and stern ramps
- Gift shop for newspapers, magazines, sundries, etc.
- Hospital

## Services Included

- Two hot meals and one box lunch per day
- Linens, toiletries and cleaning
- Laundry
- Crew security services

# Optional Services

- Crew transport
  - Ship can be provided with up to 30 crew boats that can be used for crew transport and stored in the cargo hold during inclement weather
- Medical service
  - Medical personnel can be provided for the on board hospital
- Additional consumables for field
  - Water
  - Sports drinks
  - Snacks
  - First aid supplies

# Benefits to Consider

- Turn key services, meals, laundry, cleaning, etc. Only one service provider to manage
- Respectable accommodations will result in longer employee retention and allow longer periods of service between leaves
- Entertainment and recreational offerings will improve morale and keep crews engaged
- The ship can be relocated to the best area for crew deployment without the need for tug services
- Equipment , crew boats or vehicles can be stored in the cargo hold
- The ship can be used as a secure area during foul weather
- Private showers and toilets rather communal facilities

# Large Cargo Hold

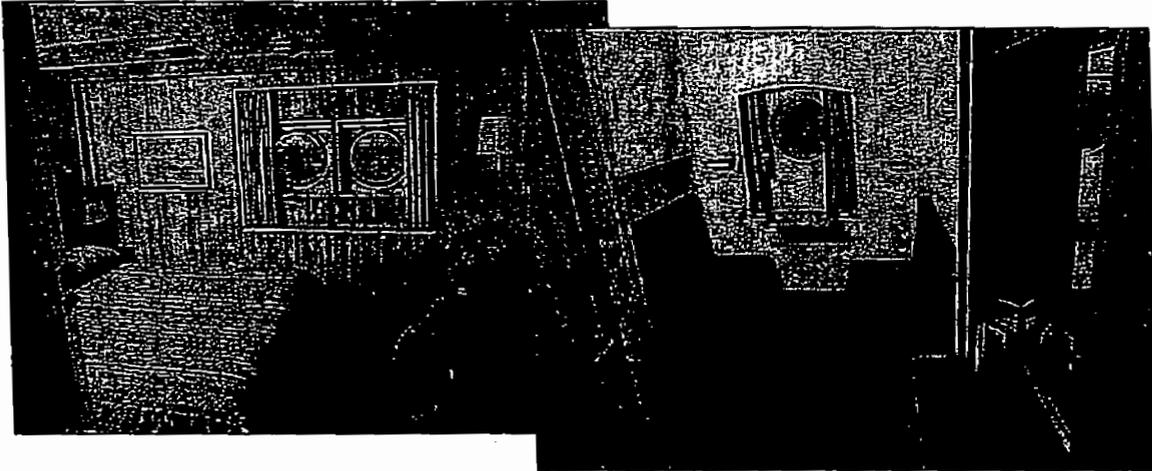
(30 crew boat or 175 truck capacity)



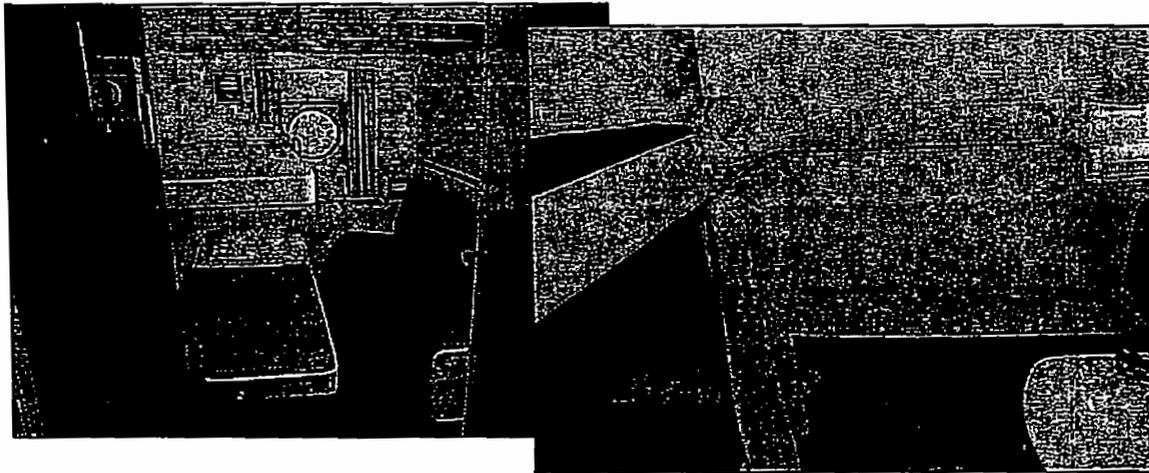
The cargo hold can be utilized for many purposes including: equipment and tool storage, boom storage and transport, mud rooms, crew boat storage, foul weather shelter, etc.

As an option, the ship can be provided with up to 30 crew boats.

# Passenger Cabins



All cabins meet international standards for cruise ships. Rooms meet the Solas 2010 regulations.



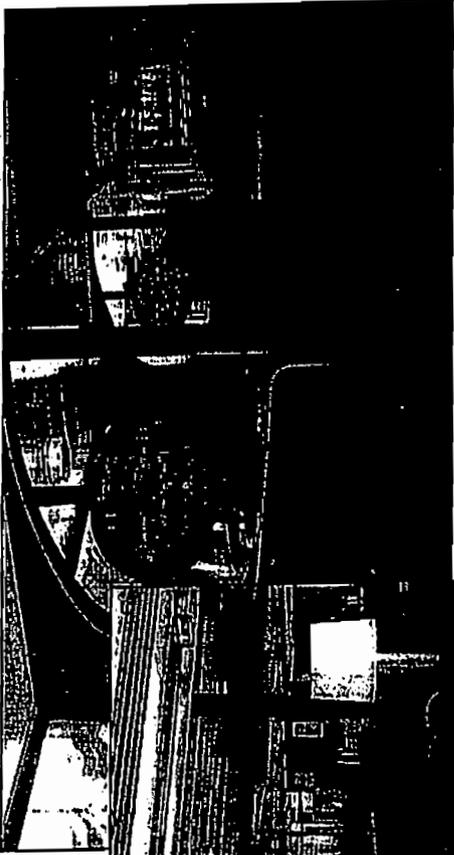
# Dining Room

Dining room will accommodate 322 passengers at one seating.



# Public Areas

Public areas will give employees quality time outside their cabins. Flat screen televisions will provide live tv and movies



# Gift and Sundry Shop



Shop will stock  
newspapers,  
magazines and basic  
personal supplies



**EXAMINATION RECORD (cont.)**

*(see instructions on Certificate of Compliance)*

Type of Examination	Remarks	Place, Date and Port State Control Officer	
		Place of examination	
		Unit	Date
		Port State Control Officer's Signature	
		Place of examination	
		Unit	Date
		Port State Control Officer's Signature	
		Place of examination	
		Unit	Date
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		Port State Control Officer's Signature	
		Place of examination	
		Unit	Date
		Port State Control Officer's Signature	

**Notice to Mariners**

All vessels: All vessels requiring an examination for issuance of a Certificate of Compliance shall notify the Officer in Charge, Marine Inspection for the port where the vessel is to be expected at least seven days before the vessel arrives to arrange the particulars of the inspection.

For passenger ships only: For this Certificate of Compliance to remain in effect, the vessel shall be maintained to the safety and construction standards as examined for compliance with applicable marine safety and environmental protection laws and international conventions. The vessel must also possess a valid Passenger Ship Safety Certificate. This Certificate of Compliance shall be aboard the ship when embarking passengers in a United States port.

For tank ships only: For this Certificate of Compliance to remain in effect, the vessel shall be maintained to the safety and construction standards as examined for compliance with applicable marine safety and environmental protection laws and international conventions. If the vessel is authorized to carry liquefied gases in bulk, a valid Subchapter O Endorsement must be attached to this Certificate. The vessel must also possess a valid Cargo Ship Safety Certificate, or Cargo Ship Safety Construction and Safety Equipment Certificates issued under the provisions of the International Convention for the Safety of Life at Sea, 1974, as amended and, if applicable, an IMO Certificate of Fitness. This certificate shall be aboard the vessel when loading, discharging, or carrying any authorized cargoes into a United States port.

For MODU's only: This Certificate of Compliance is valid only while operating on the Outer Continental Shelf (OCS) of the United States. The vessel shall be maintained to the safety, construction, and operating standards as examined for compliance with applicable marine safety and environmental protection laws and international conventions, including 33 CFR 151, 155, and 156. If the vessel enters a United States port or territorial waters, additional requirements may apply. This certificate shall be aboard the vessel while operating on the OCS.

In accordance with the provisions of 46 CFR 4 and 33 CFR 160.215, the vessel owner, operator, agent, master, or person in charge is required to immediately notify the nearest United States Coast Guard Marine Safety Office whenever a marine casualty or hazardous condition occurs.

**INSTRUCTIONS FOR USCG BOARDING OFFICERS**

1. Entries shall be made on this certificate in accordance with current instructions for the following types of foreign vessel examinations:

- Renewal and annual examinations on oil tankers, gas carriers, and MODU's.
- Annual and quarterly passenger vessel examinations
- Examinations incidental to repairs or alterations
- Other compliance boardings (i.e. - MARPOL, Ballast Water, etc.)
- Deficiency checks

2. Upon completion of an examination for issuance or re-issuance of this certificate, a new copy of this certificate with the front side filled out by the inspector will be given to the master for safekeeping.

3. The remarks section should include a reference to any deficiencies noted during the examination. In particular a complete description of any deficiencies left outstanding at the end of the examination shall be entered. If a deficiency list is too extensive to fit in the remarks section, a CG-5437B shall be issued to detail the discrepancies, and "See CG-5437B dated \_\_\_\_" shall be entered in the remarks section. The master should be instructed to make this certificate and the referenced document available to the next boarding team.

4. In the final column, the port and place of examination, Coast Guard unit, the date of the examination and the signature of the boarding officer shall be entered. If more than one inspector participates in the examination, the lead inspector shall sign the record. The date of the examination shall be the final day of the examination.

**EXAMINATION RECORD**

*(see instructions above)*

Type of Examination	Remarks	Place, Date and Port State Control Officer	
COC RENEWAL EXAM Disps	Conduct COC Renewal. Conduct Full Disps exam issued no deficiencies	Place of examination	Charleston, SC
		Unit	1150 Charleston
		Date	12/10/2015
		Port State Control Officer's Signature (b)(6), (b)(7)(C)	
		Place of examination	
		Unit	Date
		Port State Control Officer's Signature	
		Place of examination	
		Unit	Date
		Port State Control Officer's Signature	
		Place of examination	
		Unit	Date
		Port State Control Officer's Signature	



UNITED STATES COAST GUARD  
Marine Safety Office  
Charleston, SC

Contact Us



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<b>Commanding Officer</b> USCG Marine Safety Office	
XX XX	
<b>Title</b>	XX
Commanding Officer	XX
Executive Officer	XX
Command Secretary	XX
Command Chief Petty Officer	XX
Port Security & Operations Department	XX
Inspections/Investigations	XX
Fishing Vessel Safety	XX
Maritime Homeland Security	XX
Administration Department	XX
Supply	XX
<b>REGIONAL EXAMINATION CENTER</b>	
A XXX	
T XXX	
F XXX	
XX	

→ 2 → 4

[Back to Top](#)

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For Questions or Comments please EMail the WebMaster

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

**SHORT TERM\*** (see page 3)  
 **INTERIM**

No CDX0/ISO/20100430115320

**PASSENGER SHIP SAFETY CERTIFICATE**

This Certificate shall be supplemented by a Record of Equipment (Form P)

for a short international voyage  
 Issued under the provisions of the

INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1974,  
 AS MODIFIED BY THE PROTOCOL OF 1988 RELATING THERETO  
 under the authority of the Government of

**THE COMMONWEALTH OF BAHAMAS**

by BUREAU VERITAS

Name of Ship	Distinctive Number or Letters	Port of Registry	Gross Tonnage	IMO Number
BV No : 02435Y	XXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

Sea areas in which ship is certified to operate (regulation IV/2) A1+A2+A3

Date of build:

- Date of building contract: --
- Date on which keel was laid or ship was at a similar stage of construction: 1970
- Date of delivery: 1972
- Date of which work for a conversion or an alteration or modification of a major character was commenced (where applicable): --

All applicable dates shall be completed

**THIS IS TO CERTIFY :**

- 1 That the ship has been surveyed in accordance with the requirements of regulation I/7 of the Convention.
- 2 That the survey showed that :
  - 2.1 the ship complied with the requirements of the Convention as regards :
    - .1 the structure, main and auxiliary machinery, boilers and other pressure vessels;
    - .2 the watertight subdivision arrangements and details;
    - .3 the following subdivision load lines :

Subdivision load lines assigned and marked on the ship's side at amidships (regulation II-1/18)	Freeboard	To apply when the spaces in which passengers are carried include the following alternative spaces
C.1	1163 mm below the reference line	-
C.2	-	-
C.3	-	-

\* For ships constructed before 1 January 2019, the applicable subdivision notation "C1, C2 and C3" should be used.



PROVISIONAL PASSENGER SAFETY CERTIFICATE No : CDX0/ISO/20100430115320
NAME OF SHIP : xxxxxxxxxxxxxxxx
BV REGISTER : xxxxxxxxxxxxxxxx

- 2.2 the ship complied with the requirements of the Convention as regards structural fire protection, fire safety systems and appliances and fire control plans;
  - 2.3 the life-saving appliances and the equipment of the lifeboats, liferafts and rescue boats were provided in accordance with the requirements of the Convention;
  - 2.4 the ship was provided with a line-throwing appliance and radio installations used in life-saving appliances in accordance with the requirements of the Convention;
  - 2.5 the ship complied with the requirements of the Convention as regards radio installations;
  - 2.6 the functioning of the radio installations used in life-saving appliances complied with the requirements of the Convention;
  - 2.7 the ship complied with the requirements of the Convention as regards shipborne navigational equipment, means of embarkation for pilots and nautical publications;
  - 2.8 the ship was provided with lights, shapes, means of making sound signals and distress signals, in accordance with the requirements of the Convention and the International Regulations for Preventing Collisions at Sea in force;
  - 2.9 in all other respects the ship complied with the relevant requirements of the Convention.
  - 2.10 the ship was not subjected to an alternative design and arrangements in pursuance of regulation 11-2/17 of the Convention.
  - 2.11 a Document of approval of alternative design and arrangements for fire safety is not appended to this certificate.
- 3 That an Exemption Certificate has been issued.

'This certificate is valid until' 20 June 2010  
Completion date of the survey on which this certificate is based : 30.04.2010

Issued at Gibraltar, on the 30 April 2010

BUREAU VERITAS

J.Sos  
By Order of the  
Secretary

*\*Short term maximum validity 2 months - Interim maximum validity 5 months.*  
\*This certificate is complemented by Record No. ITB0/AKU/20100415172938

PROVISIONAL PASSENGER SAFETY CERTIFICATE No : CDX0/JSO/20100430115320
NAME OF SHIP : XXXXXXXXXXXXXXXXXXXX
BY REGISTER : XXXXXXXXXXXXXXXXXXXX

Details of Recommendations:

BEFORE SAILING WITH PASSENGERS A FULL FIRE AND ABANDON SHIP DRILL TO BE CARRIED OUT TO THE SATISFACTION OF THE ATTENDING SURVEYOR.

799 9th Street NW  
Washington, DC 20229

JUN 24 2010



**U.S. Customs and  
Border Protection**

VES-2/3-OT:RR:BSTC:CCI  
H111608 GOB

Acting Director, Office of Cargo Preference & Domestic Trade  
Attention: Mr. Michael Hokana  
Maritime Administration  
U.S. Department of Transportation  
1200 New Jersey Avenue, S.E.  
MAR-730, Room W21-304  
Washington, D.C. 20590

Dear Mr. Hokana:

U.S. Customs and Border Protection ("CBP") has received a request for a waiver of the coastwise merchandise transportation statute (46 U.S.C. § 55102), properly known as the Jones Act. We are forwarding the subject waiver request for your review.

The request is by BP Exploration & Production Inc. ("BP"). BP requests a waiver with respect to three or more production testing vessels and three or more storage tankers, as described in its request, which it wishes to use in connection with the oil spill response and containment activities relating to the DEEPWATER HORIZON Macondo 252 well incident of April 20, 2010. Six vessels are named in the request (the HELIX PRODUCER I, the TOISES PISCES, the SEILLEAN, the LOCH RANNOCH, the EVI KNUTSEN, and the NAVION FENNIA), but BP states "that other similar vessels may be utilized so we request the waiver, if granted, be extended to those other vessels as well." BP requests the waiver for the vessels to be allowed to move from the point where they first take on the oil: (i) to another nearby point over the Outer Continental Shelf as determined by the Federal On-Scene Coordinator ("FOSC") and the master of the vessels where they can then safely discharge the oil into coastwise-qualified vessels; or (ii) to a port or place in the United States approved by the FOSC where the vessels can discharge the oil on board into a terminal or other vessel or facility. BP requests that the waiver "remain in effect for a minimum period not to exceed such time as when BP either successfully kills the MC 252 well through the drilling of the relief wells or otherwise brings the MC 252 well under complete control, or until such time as the FOSC determines it to no longer be necessary, whichever is earlier." A copy of the waiver request is enclosed.

Title 46, United States Code, § 55102 (46 U.S.C. § 55102) provides in pertinent part that no merchandise shall be transported between points in the United States embraced within the coastwise laws, either directly or via a foreign port, or

for any part of the transportation, in any vessel other than a vessel built in, documented under the laws of, and owned by citizens of the United States (i.e. a coastwise-qualified vessel).

As noted above, the navigation laws (including the Jones Act) can only be waived under the authority provided by 46 U.S.C. § 501. This statute provides, in pertinent part, that:

When the head of an agency responsible for the administration of the navigation or vessel-inspection laws considers it necessary in the interest of national defense, the individual, following a determination by the Maritime Administrator, acting in the Administrator's capacity as Director, National Shipping Authority, of the non-availability of qualified United States flag capacity to meet national defense requirements, may waive compliance with those laws to the extent, in the manner, and on the terms the individual, in consultation with the Administrator, acting in that capacity, prescribes.

In order to assist us in determining whether the granting of this waiver request is necessary in the interest of national defense, we would appreciate receiving your advice in this matter. We are also requesting the advice of the Department of Energy and the Department of Defense with respect to this waiver request.

For purposes of expediting the consideration of this matter, we are utilizing facsimile transmission to provide relevant documentation to all concerned offices. We ask that you respond by sending your determination at your earliest convenience by email (b)(6),(b)(7)(C) and (b)(6),(b)(7)(C) or facsimile (b)(2). If you have any questions or require clarification, you may contact me at (b)(2) or (b)(6),(b)(7)(C) of my staff at (b)(2) (b)(2)

Sincerely,

(b)(6),(b)(7)(C)

*for*  
Glen E. Vereb  
Chief

Cargo Security, Carriers and Immigration Branch

Enclosure

JUN 24 2010



**U.S. Customs and  
Border Protection**

VES-2/3-OT:RR:BSTC:CCI  
H111607 GOB

Acting Director, Office of Cargo Preference & Domestic Trade  
Attention: Mr. Michael Hokana  
Maritime Administration  
U.S. Department of Transportation  
1200 New Jersey Avenue, S.E.  
MAR-730, Room W21-304  
Washington, D.C. 20590

Dear Mr. Hokana:

U.S. Customs and Border Protection ("CBP") has received a request for a waiver of the coastwise merchandise transportation statute (46 U.S.C. § 55102), properly known as the Jones Act. We are forwarding the subject waiver request for your review.

The request is by Triton Hungary Asset Management LLC ("Triton"). Triton requests the waiver for the foreign-flag MODU DISCOVERER ENTERPRISE (the "vessel") so that at certain times the vessel may offload oil to coastwise-qualified lighters within a 3,500 meter radius of the 500 meter safety zone which has been established by the U.S. Coast Guard above the well pipe at the site of the DEEPWATER HORIZON Macondo 252 well incident of April 20, 2010. A copy of the waiver request is enclosed.

Title 46, United States Code, § 55102 (46 U.S.C. § 55102) provides in pertinent part that no merchandise shall be transported between points in the United States embraced within the coastwise laws, either directly or via a foreign port, or for any part of the transportation, in any vessel other than a vessel built in, documented under the laws of, and owned by citizens of the United States (i.e. a coastwise-qualified vessel).

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Sincerely,

(b)(6),(b)(7)(C)

for  
Glen E. Vereb  
Chief  
Cargo Security, Carriers and Immigration Branch

Enclosure

**JUN 24 2010**



**U.S. Customs and  
Border Protection**

VES-2/3-OT:RR:BSTC:CCI  
H111607 GOB

Ms. Lisa Roberts  
Acting Assistant Deputy Under Secretary  
of Defense (Transportation Policy)  
3500 Defense, Pentagon  
Washington, D.C. 20301-3500

Dear Ms. Roberts:

U.S. Customs and Border Protection ("CBP") has received a request for a waiver of the coastwise merchandise transportation statute (46 U.S.C. § 55102), properly known as the Jones Act. We are forwarding the subject waiver request for your review.

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compliance with those laws to the extent, in the manner, and on the terms the individual, in consultation with the Administrator, acting in that capacity, prescribes.

In order to assist us in determining whether the granting of this waiver request is necessary in the interest of national defense, we would appreciate receiving your advice in this matter. We are also requesting the advice of the Maritime Administration and the Department of Energy with respect to this waiver request.

For purposes of expediting the consideration of this matter, we are utilizing facsimile transmission to provide relevant documentation to all concerned offices. We ask that you respond by sending your determination at your earliest convenience by email (b)(6).(b)(7)(C) and (b)(6).(b)(7)(C) or facsimile (b)(2). If you have any questions or require clarification, you may contact me at (b)(2) or (b)(6).(b)(7)(C) of my staff at (b)(2) (b)(2)

Sincerely,

(b)(6).(b)(7)(C)

*for*  
Glen E. Vereb  
Chief  
Cargo Security, Carriers and Immigration Branch

Enclosure



**U.S. Customs and  
Border Protection**

**JUN 24 2010**

VES-2/3-OT:RR:BSTC:CCI  
H111608 GOB

Ms. Lisa Roberts  
Acting Assistant Deputy Under Secretary  
of Defense (Transportation Policy)  
3500 Defense, Pentagon  
Washington, D.C. 20301-3500

Dear Ms. Roberts:

U.S. Customs and Border Protection ("CBP") has received a request for a waiver of the coastwise merchandise transportation statute (46 U.S.C. § 55102), properly known as the Jones Act. We are forwarding the subject waiver request for your review.

The request is by BP Exploration & Production Inc. ("BP"). BP requests a waiver with respect to three or more production testing vessels and three or more storage tankers, as described in its request, which it wishes to use in connection with the oil spill response and containment activities relating to the DEEPWATER HORIZON Macondo 252 well incident of April 20, 2010. Six vessels are named in the request (the HELIX PRODUCER I, the TOISES PISCES, the SEILLEAN, the LOCH RANNOCH, the EVI KNUTSEN, and the NAVION FENNIA), but BP states "that other similar vessels may be utilized so we request the waiver, if granted, be extended to those other vessels as well." BP requests the waiver for the vessels to be allowed to move from the point where they first take on the oil: (i) to another nearby point over the Outer Continental Shelf as determined by the Federal On-Scene Coordinator ("FOSC") and the master of the vessels where they can then safely discharge the oil into coastwise-qualified vessels; or (ii) to a port or place in the United States approved by the FOSC where the vessels can discharge the oil on board into a terminal or other vessel or facility. BP requests that the waiver "remain in effect for a minimum period not to exceed such time as when BP either successfully kills the MC 252 well through the drilling of the relief wells or otherwise brings the MC 252 well under complete control, or until such time as the FOSC determines it to no longer be necessary, whichever is earlier." A copy of the waiver request is enclosed.

Title 46, United States Code, § 55102 (46 U.S.C. § 55102) provides in pertinent part that no merchandise shall be transported between points in the United States embraced within the coastwise laws, either directly or via a foreign port, or for any part of the transportation, in any vessel other than a vessel built in,

documented under the laws of, and owned by citizens of the United States (i.e. a coastwise-qualified vessel).

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Sincerely,

*Gerry O'Brien*

*for*  
Glen E. Vereb  
Chief  
Cargo Security, Carriers and Immigration Branch

Enclosure



**U.S. Customs and  
Border Protection**

**JUN 24 2010**

VES-2/3-OT:RR:BSTC:CCI  
H111607 GOB

Ms. Patricia Hoffman  
Acting Assistant Secretary, Office of Electricity  
Delivery and Energy Reliability  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

Dear Ms. Hoffman:

U.S. Customs and Border Protection ("CBP") has received a request for a waiver of the coastwise merchandise transportation statute (46 U.S.C. § 55102), properly known as the Jones Act. We are forwarding the subject waiver request for your review.

The request is by Triton Hungary Asset Management LLC ("Triton"). Triton requests the waiver for the foreign-flag MODU DISCOVERER ENTERPRISE (the "vessel") so that at certain times the vessel may offload oil to coastwise-qualified lighters within a 3,500 meter radius of the 500 meter safety zone which has been established by the U.S. Coast Guard above the well pipe at the site of the DEEPWATER HORIZON Macondo 252 well incident of April 20, 2010. A copy of the waiver request is enclosed.

Title 46, United States Code, § 55102 (46 U.S.C. § 55102) provides in pertinent part that no merchandise shall be transported between points in the United States embraced within the coastwise laws, either directly or via a foreign port, or for any part of the transportation, in any vessel other than a vessel built in, documented under the laws of, and owned by citizens of the United States (i.e. a coastwise-qualified vessel).

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(b)(6),(b)(7)(C)

*for* Glen E. Vereb  
Chief  
Cargo Security, Carriers and Immigration Branch

Enclosure

JUN 24 2010

VES-2/3-OT:RR:BSTC:CCI  
H111608 GOB

Ms. Patricia Hoffman  
Acting Assistant Secretary, Office of Electricity  
Delivery and Energy Reliability  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

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Sincerely,

(b)(6),(b)(7)(C)

*for*  
Glen E. Vereb  
Chief  
Cargo Security, Carriers and Immigration Branch

Enclosure

MAY 27 2010



**U.S. Customs and  
Border Protection**

VES-3-OT:RR:BSTC:CCI  
H103821 GOB

Acting Director, Office of Cargo Preference & Domestic Trade  
Attention: Mr. Michael Hokana  
Maritime Administration  
U.S. Department of Transportation  
1200 New Jersey Avenue, S.E.  
MAR-730, Room W21-304  
Washington, D.C. 20590

Dear Mr. Hokana:

U.S. Customs and Border Protection has received a request for a waiver of the coastwise merchandise transportation statute (46 U.S.C. § 55102), properly known as the Jones Act. We are forwarding the subject waiver request for your review.

The request is by Cashman Equipment Corporation, which wishes to provide BP Corporation with nine non-coastwise-qualified barges for use in the territorial waters of the United States with respect to the Gulf of Mexico oil spill clean-up. A copy of the waiver request is enclosed.

Title 46, United States Code, § 55102 (46 U.S.C. § 55102) provides in pertinent part that no merchandise shall be transported between points in the United States embraced within the coastwise laws, either directly or via a foreign port, or for any part of the transportation, in any vessel other than a vessel built in, documented under the laws of, and owned by citizens of the United States (i.e. a coastwise-qualified vessel).

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In order to assist us in determining whether the granting of this waiver request is necessary in the interest of national defense, we would appreciate receiving your advice in this matter. We are also requesting the advice of the Coast Guard, the Department of Energy and the Department of Defense with respect to this waiver request.

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Sincerely,

(b)(6),(b)(7)(C)

Glen E. Vereb  
Chief  
Cargo Security, Carriers and Immigration Branch

Enclosure

MAY 27 2010



**U.S. Customs and  
Border Protection**

VES-3-OT:RR:BSTC:CCI  
H103821 GOB

Ms. Lisa Roberts  
Acting Assistant Deputy Under Secretary  
of Defense (Transportation Policy)  
3500 Defense, Pentagon  
Washington, D.C. 20301-3500

Dear Ms. Roberts:

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Glen E. Vereb  
Chief  
Cargo Security, Carriers and Immigration Branch

Enclosure

MAY 27 2010



**U.S. Customs and  
Border Protection**

VES-3-OT:RR:BSTC:CCI  
H103821 GOB

Ms. Patricia Hoffman  
Acting Assistant Secretary, Office of Electricity  
Delivery and Energy Reliability  
U.S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

Dear Ms. Hoffman:

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Sincerely,

(b)(6),(b)(7)(C)

Glen E. Vereb  
Chief  
Cargo Security, Carriers and Immigration Branch

Enclosure

799 9th Street NW  
Washington, DC 20229

MAY 27 2010



**U.S. Customs and  
Border Protection**

VES-3-OT:RR:BSTC:CCI  
H103821 GOB

National Incident Commander  
U.S. Coast Guard  
2100 Second Street, S.W.  
Washington, DC 20593

Dear Admiral Allen:

U.S. Customs and Border Protection has received a request for a waiver of the coastwise merchandise transportation statute (46 U.S.C. § 55102), properly known as the Jones Act. We are forwarding the subject waiver request for your review.

The request is by Cashman Equipment Corporation, which wishes to provide BP Corporation with nine non-coastwise-qualified barges for use in the territorial waters of the United States with respect to the Gulf of Mexico oil spill clean-up. A copy of the waiver request is enclosed.

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Sincerely,

(b)(6),(b)(7)(C)

Glen E. Vereb  
Chief  
Cargo Security, Carriers and Immigration Branch

Enclosure



## STATE OF FLORIDA

**BILL McCOLLUM**  
**ATTORNEY GENERAL**

June 11, 2010

The Honorable Barack Obama  
The White House  
1600 Pennsylvania Avenue  
Washington, D.C. 20500

Dear President Obama:

I am deeply troubled that some of the most advanced skimmers and other cleanup vessels in the world cannot be utilized to remove the oil that is devastating our Gulf Coast due to the Jones Act. As you likely are aware, the Jones Act (46 U.S.C. § 55102) provides that the transportation of merchandise, and even valueless material, between U.S. points is reserved for U.S.-built, owned, and documented vessels.

It is my understanding, based on news reports of information from your administration and the Coast Guard, that foreign vessels have been unable to offer direct assistance to the Gulf Coast cleanup effort because of the Jones Act. Indeed, the Unified Area Command has treated compliance with the Jones Act as an operational requirement, mandating that the foreign equipment be transferred to U.S. ships, a very time-consuming process that is hindering immediate response. Additional foreign technology, such as skimmers from the Netherlands, is reported to be highly effective in removing oil from seawater and capable of processing large quantities of oily water daily. A limited waiver of the Jones Act would certainly hasten the cleanup effort.

Federal law should not stand in the way of relief to our natural resources and economies. I respectfully ask that the provisions of the Jones Act be waived given the ongoing environmental disaster, as it was waived to assist in response to Hurricane Katrina. The limited use of foreign vessels to aid in the cleanup of the massive Deepwater Horizon oil spill will not likely impede U.S. trade and commerce. Indeed, as I have previously urged, every available American skimmer and other cleanup vessels must be brought to the Gulf and put into use. More importantly, vessels with advanced cleanup capabilities should not be turned away during our time of need.

President Obama  
June 11, 2010  
Page 2

At yesterday's White House press briefing, your Press Secretary stated that "[i]f there is the need for any type of waiver, that would obviously be granted." Mr. President, the need is here. Oil from the Deepwater Horizon spill has invaded Florida and other Gulf Coast states, threatening our precious natural resources. Therefore, I urge you to take advantage of additional valuable resources by temporarily waiving the Jones Act restrictions on foreign skimmers and other cleanup vessels at all sixteen Florida ports for the limited purpose of aiding in the Deepwater Horizon oil spill response. I appreciate your consideration of this request. Please let my office know if you need any further information.

Sincerely,

(b)(6),(b)(7)(C)

Bill McCollum

cc: Admiral Thad Allen

**DRAFT- CONFIDENTIAL NOT FOR OFFICIAL RELEASE**

**Request for Approval to use the TOISA PISCES and the LOCH RANNOCH in Connection with the Containment Efforts in Response to the MC 252 Deep Water Horizon Incident**

To: Unified Area Command, Robert, La.

We ask for your assistance in providing all approvals that may be determined to be necessary for BP Exploration and Production Inc., including its affiliated companies, to utilize the following vessels in connection with the effort being made by BP to respond to the MC252 well incident which is a matter of national significance.

The planned containment option being mounted by BP is to safely contain and dispose of the material flowing from the damaged well through a containment and storage system that integrates subsea flexible jumpers, a subsea manifold, a free-standing riser, a floating containment vessel to receive the material flowing from the well, as well as a storage tanker for containment and lightering to other vessels for transport of the collected crude oil to shore facilities.

The containment and storage vessels needed in connection with this operation are uniquely capable for this purpose as described below and no other equally capable US flagged vessels have been identified as available to provide the services intended to be provided by each of these vessels.

**THE TOISA PISCES (TP)**

The TP is capable of handling liquids emanating from a subsea well, process the liquids, including separation of hydrocarbons from water and sediments, store them, if necessary, and discharge them simultaneously. She is classed as DP2 in terms of her positioning capability. She has 2 x 4" flexible pipes stored on reels on the Port side of the vessel, one for the incoming stream and one for the outgoing stream. The intention is to modify the offloading system on the TP to enable her to offload to a storage tanker from either side of the vessel (as opposed to the current arrangement, which allows discharge from the port side only).

The TP is a Liberian flagged vessel owned by Sealion Shipping Limited, a UK company. She is classed by DNV as "Det Nortse Veritas + 1A Ship-shaped production and storage unit. PROD, Offloading, AUTR, EO, HELDK" and operates throughout in DP Class 2.

The TP will intake oil from the top of the free-standing riser column via a 4" flexible line and pump the oil into the storage tanker, the LOCH RANNOCH via a 8" transfer line. An emergency disconnect will enable rapid disconnection of the oil intake hose in case of black-out or severe weather, such as a hurricane.

The DARPS DP system will be supplemented by an additional transponder system, to ensure full capability in the event of sunspot activity which may interrupt the GPS signal. The incoming liquids stream will be processed in the existing system onboard the TP and the gas flared off. The liquids will be pumped from the process vessels directly into the offloading system and she will constantly flow oil/water to the LOCH RANNOCH via an 8" heavy duty marine floating hose. She has storage capacity for 20,000bbls of oil and 9,500 bbls of oily water.

In the event of a hurricane, there is a controlled disconnection/reconnection process which allows for the flow from the well to the TP to be choked back to a level that is determined to be safe for the well and equipment and for the TP to disconnect from the riser in a preset sequence and reconnect following the storm. The design is such that it minimizes hydrocarbon discharge to the environment during a hurricane event. Both the TOISA PISCES and the LOCH RANNOCH would transit to a safe location and then return following the storm's passage to safely reconnect.

### **THE LOCH RANNOCH (LR)**

The MV LOCH RANNOCH is a British flagged double hulled storage tanker classed by Lloyd's as 100A1 Double Hull Oil Tanker + LMC, UMS, SCM, IGS, CCS, NAV1. She is a large Aframax tanker, capable of storing 750,000bbls of oil and is also classed as a DP2 capable vessel. She is dedicated for offloading operations from an FPSO in the North Sea and has a crew specially trained for this kind of operation. She is equipped with a dry break bow loading system and this has been modified to allow connection to the 8" floating hose line that would be received from the TOISA PISCES for the transfer of crude oil received by the TOISA PISCES from the MC252 well as part of the containment and disposal project.

The LOCH RANNOCH will supplement her Dynamic Positioning ("DP") systems with both an Artemis and a Radius relative DP system. This allows the LR to DP relative to the position of the TP. The received crude oil will be stored in the tanks of the LOCH RANNOCH. When the LOCH RANNOCH is full she will need to carry out a lightering operation with a US flagged vessel to make room for the oil that is being processed on the TP and transferred to the LOCH RANNOCH. The US flagged vessel would transport the oil to a US shore facility.

Due to the unique capabilities of these two vessels in terms of the operations they are to perform in connection with the containment and disposal of liquids flowing from the damaged MC252 well, these two vessels are the only vessels available for this project within the time frame required under the exigent circumstances existing due to the Deep Water Horizon incident.

It is the intention to maintain these vessels in connection with the described containment and disposal project until such time as the well is successfully killed, through the drilling of the relief wells, or otherwise. We would not foresee the need to continue to use these vessels in connection with this project for a period exceeding 180 days. In the event it

should become apparent that this operation will exceed the 180 days, we would come back to you for an extension of the operation.

BP has submitted a request to the US Coast Guard for an exemption from the US manning requirements for the TOISA PISCES and the LOCH RANNOCH for vessels engaged in activities on the outer continental shelf of the United States of America. Both vessels will be operated in accordance with their classification certifications and regulatory requirements as authorized by the responsible regulatory agencies. The purpose of their activity, as stated previously, is solely in connection with responding to the Deep Water Horizon incident in providing containment and disposal of liquids flowing from the damaged well until it is permanently killed or otherwise controlled, and not for the purpose of exploring, producing or developing natural resources.

Your kind and earliest confirmation of your approval for the use of the TOISA PISCES and the LOCH RANNOCH in connection with the significant effort associated with responding to the Deep Water Horizon incident is most appreciated. Should you require any additional information in connection with this request, please do not hesitate to contact the undersigned.

Sincerely,

Doug Suttles  
Chief Operating Officer  
BP Exploration and Production Inc.

cc



June 11, 2010

## Statement of the Maritime Cabotage Task Force Regarding the Gulf Spill

Washington, D.C – The American maritime industry supports immediate action to address the unfolding environmental disaster in the Gulf. Federal law called the Jones Act requires that American vessels be used for domestic transportation activities in the U.S., and countless American vessels are already responding in the Gulf. In addition, we know that many other American vessels are standing by ready to help.

There are well-established federal procedures for waiving the Jones Act to bring in foreign vessels in those situations where American vessels are not available. The American maritime industry has not and will not stand in the way of the use of these well-established waiver procedures to address this crisis.

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The Maritime Cabotage Task Force ("MCTF") is the largest coalition in the history of the domestic American maritime industry, representing hundreds of vessel operators, ship construction and repair yards, labor organizations, pro-defense organizations, and others ([www.mctf.com](http://www.mctf.com)). MCTF is the recognized authority relied on by the government and others on issues related to the Jones Act and the domestic maritime industry. For more information, contact (b)(6),(b)(7)(C)



June 11, 2010

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**MARITIME  
CABOTAGE**



Testimony of  
**James H.I. Weakley**  
President, Lake Carriers' Association

On Behalf of  
**Maritime Cabotage Task Force**

**Hearing on Foreign Vessel Operations in the  
United States Exclusive Economic Zone**

Subcommittee on Coast Guard and Marine Transportation  
Committee on Transportation and Infrastructure

June 17, 2010  
2:00 PM  
2167 Rayburn House Office Building

Good afternoon and thank you for holding this hearing today on this important, but often overlooked, subject. My name is James Weakley. I am the President of the Lake Carriers' Association, an organization of U.S.-flag vessel operators on the Great Lakes. Today, however, I am also testifying on behalf of the Maritime Cabotage Task Force, the most broad-based coalition the U.S. maritime industry has ever assembled to promote the Jones Act and other American cabotage laws. Its 400-plus members span the United States and its territories and represent vessel owners and operators, maritime labor groups, ship construction and repair yards, marine equipment manufacturers and vendors, trade associations, dredging and marine construction contractors, pro-defense groups, and companies in other modes of domestic transportation. The United States has built upon a foundation of U.S. ownership, construction and crews an unsubsidized domestic fleet and related maritime infrastructure that is the world leader in efficiency, innovation, and safety.

Our vessels operate under strict and extensive Coast Guard standards; they are well-built, well-maintained, and crewed by well-trained American officers and crew. The regulations advanced and enforced by the U.S. Coast Guard on our vessels are the most effective and demanding in the world. Relying on U.S. citizens to build, operate, and crew these vessels while navigating the coasts and rivers of America means not only that these well-paying, family wage jobs stay in America, but that our fleet is in the hands of hard-working men and women who have a personal stake in the environmental and economic well-being of the United States. Communities across America are safer for having these American vessels serve our nation's maritime transportation needs.

History has shown that favoring American vessels engaged in operations within our Exclusive Economic Zone produces significant benefits for the nation. In 1976, Congress enacted legislation that extended our nation's fisheries jurisdiction out to 200 miles offshore. The purpose was to better manage the fishery resources off our coasts, which were seriously threatened by foreign over fishing and exploitation. By giving American vessels first priority access to that resource over foreign-flag vessels, Congress created a system that eventually replaced all of the older foreign fleets with modern American vessels. This "Americanization" of the fishing industry not only produced some of the best managed fisheries in the world, it also increased fishing vessel safety while simultaneously securing for Americans far more of the economic benefits of fishery resources.

Our vessels must meet federal, state, and local laws that protect America's waterways and tidal areas. Our vessels are required to meet stringent oversight inspections set to the highest standards in the world. Our vessels must follow the U.S. Code of Federal Regulations, which sets high standards for vessel construction and repair and crew training, and stringent licensing requirements for attainment of mariner credentials. U.S. regulations regarding fire fighting, life saving, safety, navigation, and communication equipment are more rigorous than typical foreign requirements. The procedures regarding the stowage and carriage of hazardous goods on our vessels are more stringent than international requirements. Additionally, because our vessel operators are liable under U.S. laws and regulations for failures in performance, they are highly penalized by their insurance underwriters and by demanding charterers if they attempt to cut corners or run a slipshod operation.

International vessel safety and environmental protection standards are issued under several international conventions by the International Maritime Organization (IMO), a specialized branch of the United Nations. Government responsibility for oversight and enforcement is vested primarily in the nation in which a vessel is registered and whose flag the vessel flies, known as the flag administration. Flag administrations are responsible for ensuring their vessels' compliance with applicable safety, security, and environmental standards, and for verifying the accuracy of documents and certificates issued under their authority. This responsibility requires flag administrations to have the necessary domestic laws, administrative infrastructure, and qualified personnel in place to oversee vessel inspections, ensure crew competency, investigate vessel accidents, and take appropriate regulatory enforcement actions. The term "flag of convenience" is often used to describe a flag administration used by vessel operators for purposes of avoiding government regulations and reducing operating costs.

Although many flag administrations take their responsibilities seriously and are active participants within the IMO, oversight and enforcement among IMO members varies dramatically. While many nations' maritime standards within the regulatory regime of the IMO may be similar, the application and enforcement of those standards by other flag administrations is significantly different and more lenient as compared to the standards enforced on vessels carrying an American flag on their stern. Many of the foreign-flag vessels that compete with American vessels in the international trades are much more loosely regulated, often unsafe, and frequently manned by poorly trained personnel. Some foreign ships do not have the burden of following national guidelines that guarantee a well-maintained vessel that is constructed for superior safety. Some foreign crews are paid extremely low wages, receive few benefits, and work inhumane schedules under inhumane conditions. Many do not have the superior level of training or professionalism that characterizes the U.S. merchant marine. Also, because foreign vessels generally don't pay U.S. taxes and are not required to meet higher U.S. crew, maintenance and operating standards, U.S. laws essentially provide foreign vessels with a cost advantage while operating in the U.S. EEZ.

For this reason, the U.S. Coast Guard has implemented Port State Control inspections on targeted foreign-flag vessels entering U.S. harbors to reduce the presence of substandard shipping in U.S. waters. The Port State Control Program is based on a safety and environmental protection compliance targeting matrix to screen for poorly maintained or managed vessels. Vessels with a higher risk profile are more likely to be inspected by the Coast Guard in or near a U.S. port to determine whether they are a potential hazard to the port or the environment. The Coast Guard is empowered to detain, deny entry to U.S. waters, or expel from U.S. waters a substandard vessel if needed to ensure safety, security, or environmental protection. The nature of some resource development work in the Gulf of Mexico, and its proximity to other countries, allows some foreign-flag vessels engaged in this work to avoid calling at U.S. ports, which complicates Port State Control Program effectiveness regarding these vessels.

While there is a robust American vessel presence in the Gulf of Mexico, foreign mobile offshore drilling units, seismic vessels, dive support vessels, derrick barges, and other vessels are also routinely performing industrial tasks on the U.S. outer continental shelf. Flags of convenience commonly used by offshore drilling and support vessels include the Marshall Islands (which registered the Deepwater Horizon rig), Panama, Liberia, the Bahamas, Singapore,

and Malta. As of May 2010, the Coast Guard's Port State Control Program's list of flag administrations that have a detention ratio higher than the overall average included, among others, Panama and Malta. Additionally, many of the previously named countries are relatively small, seldom visited by the vessels they register to fly their flag, and unable to afford their own national vessel inspection infrastructure to ensure that the vessels flying their flag meet the highest international standards.

Are American vessels safer than flag of convenience ships, including vessels registered under certain nations identified on the Coast Guard Port State Control Program's list? The answer is yes, for the many reasons described above. In addition, American vessels provide an important economic benefit for our nation. In 2006, an estimated nearly 500,000 jobs were attributable to the Jones Act. These high quality jobs include positions crewing, building, maintaining, and repairing vessels, as well as shore-side management and support of vessels in the U.S. domestic trade. In 2009 dollars, the indirect and induced jobs accounted for \$35.5 billion in U.S. value-added (i.e., Gross Domestic Product) and \$22.6 billion in labor compensation. According to a recent study by PricewaterhouseCoopers for the Transportation Institute, the Jones Act generates \$100.3 billion in gross economic output, \$45.9 billion in value added, \$29.1 billion in labor compensation, and \$11.4 billion in taxes to federal, state, and local governments. A significant portion of this economic activity takes place in the coastal waters of the Gulf of Mexico.

We hope that this Committee will consider these factors as it considers its response to the Deepwater Horizon spill.



**U.S. House of Representatives**  
**Committee on Transportation and Infrastructure**  
**Washington, DC 20515**

**James L. Oberstar**  
Chairman

**John L. Allen**  
Ranking Republican Member

June 15, 2010

David Hegnsfeld, Chief of Staff  
Ward W. McCaughy, Chief Counsel

James W. Coon II, Republican Chief of Staff

The Honorable Janet Napolitano  
Secretary  
Department of Homeland Security  
Washington, DC 20528

Dear Secretary Napolitano:

It has recently come to our attention that neither the Department of Homeland Security, the National Incident Command or any Federal agency has utilized the services of dozens or more U.S.-flag, Jones Act-qualified vessels in responding to the ongoing crisis in the Gulf of Mexico. We have heard from several segments of the U.S. staffed fleet, and they have scores of vessels sitting idle that could be used in the cleanup.

There is an urgent need to employ all available assets to prevent oil from impacting the economy and environment of the Gulf region. We are surprised and dismayed at your failure to fully deploy all of our domestic resources in the ongoing federal effort. We urge you to immediately contact domestic operators to review both their assets and capability to be part of this important response. Over the past several weeks, we have seen oil products wash up on the shores of Louisiana, Mississippi, Alabama and Florida while vessels, which could have been pressed into service, sit idle. This is unacceptable.

The Administration should immediately activate Jones Act-qualified vessels that could add further capacity in bolstering current oil skimming and cleanup efforts. This Administration has waited well beyond the appropriate time to either engage the Jones Act-compliant resources we have or accept assistance from other countries. While we are not opposed to waiving the Jones Act if necessary, such as President Bush did after Hurricane Katrina, it is almost incomprehensible that every effort to deploy these assets has taken so long. It is essential that the Department of Homeland Security immediately identify specific needs that can be met with American assets and manpower and also work with our international partners to employ all available resources that are necessary to minimize further damage to the Gulf economy and ecosystem.

Secretary Janet Napolitano

June 15, 2010

Page 2

The oil spill has been an economic and environmental catastrophe for our Nation, and we must make every effort to minimize the impacts of the spill. For this reason, we implore you to take immediate action to bring in as many vessels and resources in to mitigate this spill.

Sincerely,

(b)(6),(b)(7)(C)

John L. Mica  
Ranking Republican Member  
Committee on Transportation  
and Infrastructure

U.S. Department of  
Homeland Security

United States  
Coast Guard



Federal On-Scene Coordinator  
Unified Area Command

Unified Area Command  
1250 Poydras Street  
New Orleans, LA 70113

June 27, 2010

Doug Suttles  
Chief Operating Officer  
Exploration & Production  
BP America Inc.  
501 WestLake Park Boulevard  
Houston, Texas 77079

As I understand, BP is considering contracting with Western Canada Marine Response Corp. to obtain the use of the Burrard Cleaner #1, a vessel specifically built for recovering floating oil. Because this vessel is Canadian flagged, you seek my approval of its use. I find that the use of the Burrard Cleaner #1 is exempted under 46 U.S.C. § 55113, and thus, it may recover, transport, and unload oil on an emergency and temporary basis in U.S. waters. I approve its use.

The Burrard Cleaner #1 is exempted under 46 U.S.C. § 55113 for the following reasons. First, the vessel is specially built for the purpose of recovering floating oil. Thus, it is an oil spill response vessel (OSRV) as defined in 46 U.S.C. § 2101(20a) and further contemplated by 46 U.S.C. § 55113. Second, consultations with the U.S. Department of State indicate that Canada extends a similar privilege to U.S. vessels. Finally, I found on June 16<sup>th</sup> that a sufficient number of domestic OSRVs are not available to skim oil in an adequate and timely manner. I confirmed the validity of that determination with the U.S. Maritime Administration (MARAD) on June 27<sup>th</sup>.

Please bear in mind that this approval applies only to the Burrard Cleaner #1's recovery, transportation, and unloading of oil discharged as a result of the Deepwater Horizon oil spill. Also, my approval in no way obviates the vessel's obligation to maintain a current SOLAS certificate before operating in U.S. waters. Nor does my approval relieve the vessel of any responsibility it might have under Coast Guard regulations to provide an advanced notice of arrival prior to arriving in a U.S. port.

This approval shall terminate in 90 days from its issuance or upon a finding by the FOSC that the U.S. fleet can adequately respond without foreign assistance. You may seek an extension of this approval. Likewise, I may revoke it if the circumstances on which it is based change.

Sincerely,

(b)(6),(b)(7)(C)

JAMES A. WATSON  
Rear Admiral, U.S. Coast Guard  
Federal On-Scene Coordinator

**U.S. Department of  
Homeland Security**

**United States  
Coast Guard**



**Federal On-Scene Coordinator  
Unified Area Command**

**Unified Area Command  
1250 Poydras Street  
New Orleans, LA 70113**

**June 19, 2010**

**Doug Suttles  
Chief Operating Officer  
Exploration & Production  
BP America Inc.  
501 WestLake Park Boulevard  
Houston, Texas 77079**

**It is my understanding that BP is considering contracting with ECOCEANE to obtain the use of multiple response vessels specifically designed for the recovery of oil. I also understand that because these vessels are French flagged you seek my determination that these vessels may be employed without violating U.S. cabotage laws. In my opinion, using these vessels for skimming oil in the Gulf of Mexico is not prohibited coastwise trade because the vessels are exempted under 46 U.S.C. § 55113. For this reason, I approve their use.**

**The ECOCEANE vessels are exempted under 46 U.S.C. § 55113 because pertinent circumstances satisfy that statute's three requirements. First, the vessels you intend on utilizing—one SG 180, two CG 92s, and one CG 66—are specially designed and purpose built for the recovery of floating oil. Thus, they are OSRVs as that term is defined in 46 U.S.C. § 2101(20a) and as further contemplated by 46 U.S.C. § 55113. Second, consultations with the U.S. Department of State indicate that France extends similar privileges to U.S. vessels. Finally, I determined on June 16<sup>th</sup> that there are simply not enough U.S. OSRVs capable of skimming oil available to keep up with the pace at which oil flows from the well.**

**Although I approve the use of ECOCEANE's SG 180, CG 92, and CG 66, some limits do exist. For instance, my approval pertains only to these three categories/classes of vessel. You must seek additional approval before employing any other ECOCEANE vessel type. Also, my approval applies only to those vessels actually engaged in recovering, transporting, and unloading oil discharged as a result of Deepwater Horizon oil spill. Finally, this approval terminates when the Macondo 252 well is capped or upon an FOSC determination that the U.S. OSRV fleet can adequately respond without foreign assistance. You may seek an extension of this approval. Conversely, I may revoke it if the circumstances on which it is based change.**

**Sincerely,**

**(b)(6),(b)(7)(C)**

**JAMES A. WATSON  
Rear Admiral, U.S. Coast Guard  
Federal On-Scene Coordinator**

U.S. Department of  
Homeland Security

United States  
Coast Guard



Federal On-Scene Coordinator  
Unified Area Command

Unified Area Command  
Shell Oil Training Center  
23260 Shell Lane  
Robert, LA 70455

16480  
16 Jun 10

## MEMORANDUM

(b)(6),(b)(7)(C)

From: J. A. Watson, RADM  
FOSC BP DEEPWATER HORIZON OIL  
SPILL

To: NIC

Subj: FOSC DETERMINATION UNDER 46 U.S.C. § 55113 CONCERNING OIL SPILL  
RESPONSE VESSELS CAPABLE OF SKIMMING OIL

1. Pursuant to my authority contained in 46 U.S.C. § 55113, I have determined that an adequate number of oil spill response vessels (OSRVs), as defined by 46 U.S.C. § 2101(20a), documented under the laws of the United States and capable of skimming oil cannot be employed in a timely manner to recover the oil released from the BP Deepwater Horizon spill.
2. Oil currently discharges into the Gulf of Mexico at unprecedented levels. There are simply not enough U.S. OSRVs capable of skimming oil available to keep up with the pace at which oil flows from the well. Until the flow is stopped, therefore, it is my opinion that domestic and foreign OSRVs capable of skimming oil are needed to provide adequate and timely protection to the Gulf Coast.
3. This determination applies only to OSRVs capable of skimming. No foreign OSRV may avail itself of any privileges conveyed by this determination unless its country has accorded to vessels of the U.S. the same privileges.
4. Respectfully request that U.S. Customs and Border Protection be notified of this determination.

#

111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**S.** \_\_\_\_\_

To repeal the Jones Act restrictions on coastwise trade and for other purposes.

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IN THE SENATE OF THE UNITED STATES

Mr. MCCAIN (for himself and Mr. RISCH) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

---

## **A BILL**

To repeal the Jones Act restrictions on coastwise trade and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Open America’s  
5 Waters Act”.

6 **SEC. 2. REPEAL OF JONES ACT LIMITATIONS ON COAST-**  
7 **WISE TRADE.**

8       (a) IN GENERAL.—Section 12112(a) of title 46,  
9 United States Code, is amended to read as follows:

1           “(a) IN GENERAL.—A coastwise endorsement may be  
2 issued for a vessel that qualifies under the laws of the  
3 United States to engage in the coastwise trade.”.

4           (b) REGULATIONS.—Not later than 90 days after the  
5 date of the enactment of this Act, the Commandant of  
6 the United States Coast Guard shall issue regulations to  
7 implement the amendment made by subsection (a). Such  
8 regulations shall require that a vessel permitted to en-  
9 gaged in the coastwise trade meets all appropriate safety  
10 and security requirements.

11           (c) CONFORMING AMENDMENTS.—

12           (1) TANK VESSEL CONSTRUCTION STAND-  
13 ARDS.—Section 3703a(c)(1)(C) of title 46, United  
14 States Code, is amended by striking “Coast Guard  
15 and is qualified for documentation as a wrecked ves-  
16 sel under section 12112 of this title.” and inserting  
17 “Coast Guard.”.

18           (2) LIQUIFIED GAS TANKERS.—Section 12120  
19 of title 46, United States Code, is amended by strik-  
20 ing “United States,” and all that follows and insert-  
21 ing “United States.”.

22           (3) SMALL PASSENGER VESSELS.—Section  
23 12121(b) of title 46, United States Code, is amend-  
24 ed by striking “12112,”.

*if sold foreign or placed under foreign  
registry or rebuilt  
outside US*

3

1 (4) LOSS OF COASTWISE TRADE PRIVILEGES.—

2 Section 12132 of title 46, United States Code, is re-  
3 pealed.

4 (5) TABLE OF SECTIONS.—The table of sections  
5 for chapter 121 of title 46, United States Code, is  
6 amended by striking the item relating to section  
7 12132.

## COASTWISE LAWS PERTAINING TO THE SINKING OF THE OIL RIG

46 U.S.C. 55102 (the “Jones Act”) prohibits the transportation of merchandise between points embraced within the coastwise laws by any vessel that is not U.S.-built, owned and documented by the U.S. Coast Guard with a coastwise endorsement.

46 U.S.C. 55103 (the Passenger Vessel Services Act; PVSA) is the passenger equivalent to the Jones Act.

46 U.S.C. 55113 allows foreign-flag oil spill response vessels, on a temporary and emergency basis, to recover/transport/unload in a U.S. port oil discharged as a result of a spill in or near territorial waters if: (1) an adequate number of U.S. vessels is not available—requires coordination with the USCG On-Scene Coordinator; and (2) the foreign country under which the vessel is documented has a reciprocal agreement with the U.S.

46 U.S.C. 80104 (the “Salvage Statute”) prohibits foreign-flag vessels from engaging in salvage in U.S. territorial waters unless the Secretary of Homeland Security is satisfied that not enough suitable U.S. vessels are available.

46 U.S.C. 501 (the “Waiver Statute”) authorizes the Secretary of Homeland Security to waive compliance with the navigation laws “in the interest of national defense” if: (1) requested by the Secretary of Defense; or (2) if requested by another party and, in consultation with MARAD as to non-availability of qualified U.S. vessels.

The coastwise laws apply to points within the 3-mile territorial sea or those beyond that zone meeting the criteria of the Outer Continental Shelf Lands Act (43 U.S.C. 1333), i.e., attached to the seabed for the purpose of resource exploration

### POSSIBLE OPERATIONS FOR DISCUSSION

- Oil Skimming – A vessel skimming spilled oil from the water surface beyond the 3-mile territorial sea for transport to the U.S. mainland is not coastwise trade and does not involve the Jones Act. If the spilled oil drifts into the territorial sea, the Jones Act is implicated and a foreign-flag vessel would need a waiver to transport the spilled oil to the mainland unless it is compliant with 46 U.S.C. 55113.
- Firefighting/Rescue – If done by vessels that engage in those activities are not coastwise trade and do not violate the Jones Act or PVSA.
- Salvage – Removal of debris/wreckage from the ocean floor (not on the wellhead) does not violate the Salvage Statute. The site in question is beyond the 3-mile territorial sea and is no longer a coastwise point pursuant to the OCSLA.
- Repairs to the Wellhead – If not permanently capped/abandoned any repairs to the wellhead could implicate the Jones Act and the PVSA.

**REQUEST FOR CONSIDERATION OF PROPOSED USE OF VESSEL IN  
BP DEEPWATER HORIZON OIL SPILL RESPONSE**

**ALL INFORMATION ON THIS FORM MUST BE COMPLETED. INCOMPLETE FORMS CANNOT BE CONSIDERED BECAUSE ALL INFORMATION ON THIS FORM IS NEEDED TO DETERMINE APPLICABILITY OF U.S. COASTWISE TRADE LAWS. IF A SECTION BELOW IS INAPPLICABLE, ENTER "N/A" IN THE APPROPRIATE BOX.  
ALL BOXES MUST BE COMPLETED.**

**IF SEEKING CONSIDERATION OF MORE THAN ONE VESSEL, INCLUDE INFORMATION FOR EACH VESSEL OR VESSEL CLASS – ONLY VESSELS WITH IDENTICAL SPECIFICATIONS MAY BE IDENTIFIED WITH REFERENCE TO CLASS OR GROUP. GROUP SUBMISSIONS MUST STILL IDENTIFY INFORMATION THAT IS PARTICULAR TO EACH VESSEL (e.g., IMO NUMBERS FOR ALL VESSELS MUST BE PROVIDED).**

<b>1. Company Information</b>		
<b>Request Submitted By:</b> (include name, full address and contact information)	<b>Vessel Owner (Registered Owner):</b>	<b>Vessel Owner IMO Registration Number:</b>
<b>Registered Address of Vessel Owner:</b>	<b>Vessel Manager:</b>	<b>Vessel Manager IMO Registration Number:</b>
<b>Relationship between Requesting Party and Vessel Owner:</b>	<b>Is the Vessel Owned by a U.S. Citizen? Y / N</b>	<b>Any Other Relevant Company Information:</b>
<b>Proof of Authority:</b> Documentation showing proof of ownership of the vessel and the authority of the requesting party to submit this request must be submitted with this completed form.		
<b>2. Vessel Information</b>		
<b>Vessel Name:</b>	<b>Vessel Type:</b>	<b>Flag State/Country of Registry:</b>
<b>IMO Number:</b>	<b>Any Other Registration Numbers:</b>	<b>Place/Country Built:</b>
<b>Year Built:</b>	<b>Builder's Name:</b>	<b>P&amp;I Club:</b>
<b>Modifications:</b> Describe any modifications, alterations, or improvements to the vessel, including date of work, location of work, and entity that performed the work.		

**Comment [B1]:** Do we want to narrow this to major?

<b>Classification Society:</b>	<b>Date of Last Class Survey:</b>	<b>Gross Tonnage:</b>
<b>Length Overall:</b>	<b>Beam:</b>	<b>Depth:</b>
<b>Draught:</b>	<b>Displacement:</b>	<b>Deadweight:</b>
<b>Propulsion:</b>	<b>Speed:</b>	<b>Number of Crew:</b>
<b>Nationality of Crew:</b>	<b>Oil Tank Capacity:</b>	<b>Other:</b>
<b>U.S. Coastwise Endorsement:</b> If you are inquiring regarding the use of a U.S. coastwise trade endorsed vessel, circle "Y" in the box and attach proof of endorsement with this completed form. Otherwise, circle "N." Y / N		
<b>Photographs of Vessel:</b> At least one full color photograph of the vessel must be submitted with this completed form. Color scanned copies of photos or digital photo files (such as .jpeg or .gif) may be submitted.		
<b>Note:</b> Foreign vessels may require a waiver of the Jones Act (see 46 U.S.C. 501) to conduct their proposed operations. Specialized oil spill response vessels (OSRVs), including specialized oil skimming vessels, that meet the requirements of 46 U.S.C. 55113 do not require a waiver of the Jones Act. Vessels that are modified or adapted with attachments of skimming equipment but that are not designed/constructed as specialized skimming vessels do not meet the requirements of 46 U.S.C. 55113 in most instances.		
<b>3. Vessel Usage Proposal in BP Deepwater Horizon Spill Response</b>		
<b>Describe the vessel's intended use, including whether it is intended to carry equipment or cargo and what ports, points, or other places it is intended to call during its operation.</b>		
<b>Is this vessel intended to be used within three (3) miles of the U.S. territorial sea baseline or points landward of the U.S. territorial sea baseline? Y / N</b>		
<b>Describe any vessel modifications or alterations intended to be completed prior to deployment, including the schedule and status of such work.</b>		

<b>Date vessel will be available for deployment:</b>		
<i>Note: You may submit any additional information you would like considered as attachments or on additional sheets submitted with this form.</i>		
<b>4. Signature:</b>		
<b>Signature:</b>	<b>Printed Name:</b>	<b>Date of Submission:</b>
<i>Note: Signing this form is an acknowledgement that all information provided above is true and correct. Knowing and willful submission of materially false, fictitious, or fraudulent statements or representations may be actionable under 18 U.S.C. 1001.</i>		

###

111TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To provide a statutory waiver of compliance with the Jones Act to foreign-flagged vessels assisting in responding to the Deepwater Horizon oil spill and for other purposes.

\_\_\_\_\_  
IN THE SENATE OF THE UNITED STATES

\_\_\_\_\_  
Mrs. HUTCHISON (for herself and Mr. LEMIEUX) introduced the following bill; which was read twice and referred to the Committee on  
\_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To provide a statutory waiver of compliance with the Jones Act to foreign-flagged vessels assisting in responding to the Deepwater Horizon oil spill and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Water Assistance from  
5 International Vessels for Emergency Response Act".

6 **SEC. 2. WAIVERS.**

7 Notwithstanding any other provision of law, section  
8 12112 and chapter 551 of title 46, United States Code,  
9 shall not apply to any vessel documented under the laws

*US non-jud.*

*c/w and.* *c/w trade*

1 of a foreign country while that vessel is engaged in con-  
2 tainment, remediation, or associated activities in the Gulf  
3 of Mexico in connection with the mobile offshore drilling  
4 unit *Deepwater Horizon* oil spill.



SCANED/RECEIVED  
BY EXEC SEC

2010 JUL -1 PM 4: 22

# COMMONWEALTH of VIRGINIA

Office of the Attorney General

Kenneth T. Cuccinelli, II  
Attorney General

900 East Main Street  
Richmond, Virginia 23219  
804-786-2071  
FAX 804-786-1991  
Virginia Relay Services  
800-828-1120  
7-1-1

June 22, 2010

The Honorable Janet A. Napolitano  
Secretary of Homeland Security  
United States Department of Homeland Security  
Washington, D.C. 20528

Dear Secretary Napolitano:

As the Attorney General of the Commonwealth of Virginia, I write to you to express my growing concern regarding the potential consequences of the Deepwater Horizon oil spill in the Gulf of Mexico. With the Mississippi Canyon #252 site still releasing oil into the Gulf of Mexico 62 days after the explosion of the Deepwater Horizon oil rig, the federal government should move quickly to expand the clean-up efforts and remove impediments to the same.

The magnitude of this oil spill is so great that an effective clean-up response will require the close cooperation of many entities, both public and private. For this reason, I urge you to remove barriers to clean-up initiatives by state and local governments. I also ask that you (i) accept the offers from America's overseas allies to assist in the clean-up and recovery efforts and (ii) take whatever steps may be necessary to facilitate that assistance including, but not limited to, a temporary waiver of the Jones Act (46 U.S.C. § 55102) restrictions on shipping.

It has been reported that foreign vessels have been unable to offer direct assistance to the Gulf Coast clean-up effort because of the Jones Act, which provides that the transportation of merchandise between U.S. points is reserved for U.S.-built, -owned and -documented vessels. I respectfully ask that a limited waiver of the Jones Act be made to permit the limited use of foreign vessels to aid in the clean-up efforts of this massive and ever growing oil spill. I note that there is apt precedent for this action. The federal government waived the Jones Act temporarily to assist in the response to Hurricane Katrina.

The immediate area of impact from this catastrophe is in the Gulf region, and Virginians are concerned for the well being of that region. The East Coast, though, also is at foreseeable risk of substantial harm. Should the oil make its way into the Gulf Stream, Virginia's coastal areas, natural resources and the livelihoods of its coastal communities and people could be threatened. Even if Virginia's coastal waters and communities are not directly impacted by oil in the water, there may well be significant harm to the migratory bird and fish species that form an important

The Honorable Janet A. Napolitano  
June 22, 2010  
Page 2

part of our natural resources and economy. It is my sincere hope that the flow of oil from the Deepwater Horizon is stemmed soon and that the oil from it never reaches Virginia's shores or impacts those resources. Nevertheless, to prepare for the worst possibilities, I recommend that the Department of Homeland Security (i) coordinate with Virginia's Office of Commonwealth Preparedness on best steps to manage an oil spill and (ii) keep Virginia informed of updated projections on the long-term direction of the oil spill and the probabilities of the Virginia coastline being impacted.

Thank you for your consideration of my recommendations.

Sincerely,  
(b)(6), (b)(7)(C)

Kenneth T. Cuccinelli, II  
Attorney General

1034057

United States Senate  
WASHINGTON, DC 20510

June 17, 2010

SCANNED/RECEIVED  
BY EXEC SEC

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The President  
The White House  
Washington, DC 20500

Dear Mr. President,

We write to you in regard to the cleanup effort in the wake of the Deepwater Horizon oil spill. Now nearly two months into this catastrophe, the urgency and seriousness of the circumstances demand swift and unequivocal responses from our leaders. We must have all hands on deck and should not be turning away legitimate offers of help.

In this regard, we understand that the Administration has announced the issuance of guidance for obtaining Jones Act waivers for foreign vessels offering help in the cleanup efforts in the Gulf.

While this is an important step forward, we are still receiving troubling accounts of just such vessels, including skimmers, being turned away from lending their services to mitigate this unprecedented environmental emergency. The announcement from Admiral Allen indicates that thus far, no Jones Act waivers have been "required," but we are eager to ensure that such waivers are immediately available should they merely qualify as helpful to the response.

We ask for three simple clarifications. First, has there been any foreign vessel or service that has been made available for response efforts that has been denied such a role for any reason other than its particular function being unnecessary?

Second, will the Administration immediately commit to an expedited waiver system in which all potentially useful foreign vessels are presumed compliant and granted unless and until individually dismissed for either uselessness or detriment to the cleanup effort?

Finally, is the Administration taking any steps to not only advise but to solicit aid from international asset holders for purposes of this response, including publicizing the expedited waiver guidance documents in relevant seafaring nations and major port cities?

Thank you for your consideration of our request and we look forward to working together to address this tragedy in the Gulf region with all effective tools at our disposal and with all deliberate speed.

Sincerely,

(b)(6),(b)(7)(C)

Lisa Murkowski  
United States Senator

(b)(6),(b)(7)(C)

Richard Burr  
United States Senator

(b)(6),(b)(7)(C)

# Dan Inouye

U.S. SENATOR FROM HAWAII



Contacts: Peter Boylan /Lori Hamamoto (Inouye) 202-224-3934

## SENATOR INOUE'S COMMENTS ABOUT THE JONES ACT

June 16, 2010

**WASHINGTON—** Senator Daniel K. Inouye issued the following statement after suggestions that the Jones Act be suspended to allow foreign vessels to assist with the oil spill cleanup in the Gulf of Mexico.

**“I was taken aback by the suggestion that we suspend the Jones Act to bring in foreign ships to deal with the catastrophic oil spill in the Gulf. That is not necessary. American vessels from the Navy, Coast Guard, state and county governments are working with private citizens and foreign vessels in support of the clean-up effort. To suggest that we suspend the Jones Act to allow foreign ships into the Gulf is more about pushing a political agenda than any genuine interest in helping Gulf coast communities with their clean-up. We are already at the mercy of foreign competitors when it comes to oil, we should not add shipping to that list,”** said U.S. Senator Daniel K. Inouye.

**-END-**