

CLEARWATER PORT LIQUIFIED NATURAL GAS DEEPWATER PORT



The Deepwater Port Act

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Deepwater Port Act of 1974

The Deepwater Port Act of 1974, as amended (the Act, 33 U.S. Code [U.S.C.] 1501 et seq.), regulates the location, ownership, construction, and operation of deepwater ports in waters beyond the territorial limits of the United States, and authorizes the Secretary of Transportation to license the ownership, construction, or operation of a deepwater port. The Secretary of Transportation has since delegated the authority to issue, transfer, amend, or reinstate a license for the construction and operation of a deepwater port to the Maritime Administration. The Act also provides for the protection of marine and coastal environments from adverse effects of the development of such ports.

Deepwater Ports

According to the Act, a deepwater port is a fixed or floating manmade structure other than a vessel, or a group of structures, located beyond the territorial sea and off the coast of the U.S., used or intended for use as a port or terminal for the transportation, storage, and further handling of oil or natural gas for transportation to any State. Deepwater ports must not interfere with international navigation or other reasonable uses of the high seas and the construction of the port must represent the best available technology in order to minimize adverse impacts on the marine environment.

Issuing a License

A notice of each complete license application must be published in the Federal Register. The U.S. Coast Guard and the Maritime Administration (along with other Federal agencies) must evaluate the potential for each deepwater port to impact the natural and human environment, by complying with the National Environmental Policy Act (NEPA), during the application review process. The analysis must contain information regarding the effect on the marine environment, the effect on oceanographic currents and wave patterns, and the effect on alternate uses of the oceans and navigable waters, the potential danger to deepwater ports from waves and the weather, the effects on land-based developments effect on human health and welfare, and other considerations the Secretary deems necessary. The application review process must be completed in less than one year from the date of initial application.

To issue a license, the Maritime Administration must find that the applicant is financially responsible, can and will comply with applicable laws and regulations, and that the construction of the port is in the national interest.