CLEARWATER PORT LIQUIFIED NATURAL GAS DEEPWATER PORT





Deepwater Port Act License Requirements

FEDERAL DOCKET NO. USCG-2007-28676

The Maritime Administration and United States Coast Guard (Coast Guard) were jointly delegated by the Secretary of Transportation the responsibility for processing deepwater port applications. The Secretary of Transportation has delegated to the Maritime Administrator the authority and responsibility to approve, deny, or approve with conditions deepwater port license applications.

The Maritime Administration issues a Record of Decision (ROD) for each deepwater port license application. The ROD is primarily based on the conditions for license issuance set forth in Section 1503 of the Deepwater Port Act of 1974, as amended (33 U.S.C. §§1501 et seq.) by the Maritime Transportation Security Act (MTSA) of 2002 (Public Law 107-295).

The decision of the Maritime Administration to issue a license, issue a license with conditions or deny the license will be based on the nine criteria contained in Section 1503 (c) of the Deepwater Port Act summarized below:

- 1. The applicant must be financially responsible and able to meet the requirements of Section 1016 of the Oil Pollution Act of 1990 (33 U.S.C. §§2701 et seq.; 104 Stat 484). The applicant must be financially able to construct, own, and operate the deepwater port. The applicant also must provide a financial guarantee or bond sufficient to meet cost for removal of components of the deepwater port upon the termination or revocation of the license.
- **2.** It must be determined that the applicant can and will comply with relevant laws, regulations, and license conditions. As part of this requirement the applicant must provide, in writing, its intended compliance with related laws, regulations, and conditions.
- **3.** The construction and operation of the deepwater port must be in the national interest and consistent with national security and other national policy goals and objectives, including energy sufficiency and environmental quality.
- 4. The deepwater port should not unreasonably interfere with international navigation or other reasonable uses of the high seas, as defined by treaty, convention, or customary international law.
- **5.** In accordance with the environmental review criteria, it must be determined that the applicant will construct and operate the deepwater port using the best available technology, so as to prevent or minimize adverse impact on the marine environment.
- **6.** The application must properly address all applicable provisions of the Clean Air Act, as amended, the Federal Water Pollution Control Act, as amended, and the Marine Protection, Research and Sanctuaries Act, as amended.
- **7.** The Secretary of the Army, the Secretary of State, and the Secretary of Defense must convey their views on the adequacy of the application, and its effect on programs within their respective jurisdictions.
- **3.** The governor of the adjacent coastal State or States, pursuant to Section 1508 of the Deepwater Port Act, must approve the issuance of a deepwater port license. Silence on this issue denotes approval.
- **9.** The adjacent coastal State to which the deepwater port is to be directly connected by pipeline construction must have an approved coastal zone management program pursuant to the Coastal Zone Management Act of 1972.