

From: Captain of the Port (COTP) Houston-Galveston  
To: Distribution

Subj: COTP POLICY ON LETTERS OF ALTERNATIVE COMPLIANCE FOR REDUCED MANNING

Ref: (a) 33 CFR 127.017  
(b) 33 CFR 154.107  
(c) 33 CFR 156.107  
(d) Eighth Coast Guard District Policy Letter 12-2000 of 20 June 2000

**PURPOSE:** Waterfront Facility regulations are administered to ensure safety of the port and prevent pollution. This policy letter establishes guidance in the Houston-Galveston COTP zone for the review of requests for alternative compliance to federal regulations of references (a)-(c), consistent with reference (d), Eighth Coast Guard District Policy Letter 12-2000, involving requests for reduced manning during cargo transfers to and from vessels at designated waterfront facilities. The policy for Letters of Alternative Compliance (LAC) is promulgated to further define what constitutes an “acceptable” equivalent level of safety and pollution protection and to promote fairness and consistency of interpretation throughout the Marine Safety Office Houston-Galveston COTP zone.

**DISCUSSION:** In accordance with references (a)-(d), facility and barge operators may request a waiver or alternative to parts of these Waterfront Facility regulations from the COTP. The owner/operator of the facility must submit a written request at least 30 days before the requested operations. Requests should include proposed revisions to the Operations Manual or Transfer Procedures as affected by the change. There is no provision for allowance of blanket alternatives or waivers to these regulations. The COTP will review each request on its individual merits, and approve or deny such a request in writing.

**BACKGROUND:** MSO Houston-Galveston and MSU Galveston frequently review requests from waterfront facilities and barge towing companies for LACs for approval of operations at reduced levels of manning relative to those required in references (a)-(c). Towing companies have on occasion been granted alternatives allowing one licensed Tankerman to conduct transfer operations for two barges moored side by side. In recent years, several Houston-Galveston COTP zone waterfront facilities installed remote controlled camera monitoring systems, automated warning alarms and remote cargo transfer shutdowns, and requested LACs to further reduce their manning levels. In response to the requests, some facility operators have been granted COTP authority for one facility Person in Charge (PIC) to monitor multiple vessel transfers and/or simultaneous barge transfers (as many as four). Several barge cleaning facilities have been authorized for the facility Person-In-Charge to act as the PIC of both the facility and barge for stripping, cleaning and degassing operations.

The review of requests for reduced manning using dock automation procedures must be considered on a case by case basis because proposed uses of technological improvements have to be examined in conjunction with the specific physical facility dock and equipment arrangements. The significant economic advantages of reducing personnel have prompted several facilities to ask for further manning reductions through the use of these dock automation devices. It is anticipated that the impetus to further reduce manning through the use of technology will only increase in the future. Regardless of technological assistance and innovation, there is a point of diminishing effectiveness on the part of an individual beyond which they can no longer safely assimilate and safely manage all the information involved in simultaneous cargo operations on multiple vessels. The purpose of this instruction is to set forth guidelines and limitations for various “reduced manning” operations limitations on LACs, beyond which the COTP cannot accept that an equivalent level of safety is provided.

**ACTION:** MSO Houston-Galveston and MSU Galveston will use the guidelines established in this policy letter during review of reduced-manning alternative requests. Existing LAC letters will remain in effect until expiration, subsequent LAC letters will be reviewed/approved using guidelines contained herein.

Facilities requesting alternative compliance must propose an alternative solution to meet the intent of the regulation with an equivalent level of safety. The reviewing Coast Guard unit will review the compilation of the facility's previous history and its proposal. COTP will consider approval based on an assessment of the operator and facility spill history, type of cargoes being transferred, risk of pollution, hazards of the product, and the particular characteristics of the cargo.

LAC letters granted by MSO Houston-Galveston are valid throughout the entire COTP zone. Letters of Alternative Compliance are only valid in the Captain of the Port zone in which they are issued. Facility LACs are valid for a period of four (4) years following approval. Tankerman-barge transfer LACs are valid for a period of two (2) years following approval. Suspension or termination of Letters of Alternative Compliance will be directed in writing if the COTP determines that there is appropriate cause. Facilities must submit a written request for renewal of alternatives at least 60 days prior to the expiration date. Failure to submit a renewal request for previously granted alternatives within 60 days of the expiration date renders the alternative null and void on the expiration date.

**GUIDELINES:** In order to standardize the administration of LACs in the Houston-Galveston COTP zone, the following guidelines shall be followed when approving any alternative for reduced manning. In LACs, the word vessel is interchangeable with tankship and tank barge. The word transfer may denote a maximum of two (2) adjacent vessels discharging the same product through a common header to a manifold on the dock. The following criteria will be applied to all reduced manning LAC approvals:

- a. In accordance with reference (d), Eighth Coast Guard District Policy Letter 12-2000, LACs for one Tankerman/two barge transfers will only be issued to barge operators following a thorough review of the barge Oil Transfer procedures. This alternative issuance is limited to discharge operations involving oil products, and may not be extended to include transfers which require vapor control systems.
- b. A Waterfront Facility LAC for reduced manning may not be combined with other reduced manning approvals, consequently, if a Waterfront Facility is utilizing an LAC, a Tankerman or vessel person in charge must be present on each transferring vessel.
- c. Requests for LACs shall clearly designate the location of the Person-In-Charge, and the location of the Declaration of Inspection (DOI) throughout the transfer of cargo.
- d. A qualified facility person in charge must be physically present at the dock during transfer operations that are considered high-risk operations. High risk operations are defined as: Start-up- from the commencement of the transfer operations until the maximum projected flow rate is reached, and for 30 minutes thereafter; Topping-off- from the time when the rate is first reduced until completion of the transfer; Disconnecting- from the commencement of the line clearing operations to disconnection and securing of hoses or loading arms.
- e. No LAC requesting that a single PIC be in charge of more than four (4) simultaneous transfers will be considered. A maximum of two (2) adjacent vessels discharging the same product through a common header to a manifold on the dock may be considered as a single transfer. Consequently, for LACs, it is important to consider and explicitly limit the number and combination of ships and barges, which may be transferring cargo at the same time. LACs must ensure that each single transfer involves ships and barges transferring through a single manifold on the dock and that other transfer manifolds are located in close proximity to ensure that the PIC is capable of responding immediately to an emergency at either manifold. The PIC must be able to immediately terminate transfer operations at the unaffected manifolds while attending to any emergency situation. Regardless of technological improvements, proposals requesting that a single PIC monitor more than six (6) individual vessels or more than four (4) transfers through dock manifolds, will not be approved.
- f. LACs which permit the facility PIC to act as both PIC and Tankerman in charge of the barge and facility for barge cleaning operations, only apply to barge stripping, cleaning and degassing operations. Requests to allow the facility PIC to act as the facility PIC and Tankerman for standard barge to barge or barge to facility transfers will not be approved. As described in paragraph (a) above, multiple vessel

discharges with one Tankerman may be permitted if barges are moored adjacent but never, if barges are moored end-to-end. The maximum number of vessels which may be monitored by any facility PIC is six (6) vessels transferring to the facility through no more than four dock manifolds on a single pier. Under no circumstances shall a facility PIC supervise two (2) vessel transfers occurring at separate locations separated by a distance of greater than 400 yards on the route traveled by the PIC, or at another dock location not immediately adjacent to other vessel transfers.

g. Many LAC proposals involve the concept of a Central Control Room PIC watchstander and dock roving PIC watchstander to be considered as an “equivalent” level of safety.

1. The Central Control Room operator must be provided with video camera viewing of each dock manifold station and marine transfer area. The video system must be equipped with zoom, pan, and night capabilities. The Central Control Room must also possess the capability to monitor pipeline pressures of each transfer line, vapor control system and LHG systems if applicable. The Central Control Room operator must maintain continuous two-way voice communications with each Tankerman or vessel person in charge and roving facility PIC with intrinsically safe radios.

2. The roving facility person in charge must conduct a pre-transfer conference and sign the Declaration of Inspection with the Tankerman or the vessel person in charge, maintain a roving patrol that does not leave any vessel being unchecked for longer than a one-hour period, and remain immediately available to each transferring vessel within the dock complex and not be involved in other activities such as high-risk operations at more than one dock, railroad tank car transfer, or hose cleaning. The roving facility PIC may not participate in cargo transfers, to or from, more than four (4) manifolds simultaneously.

3. The roving PIC, Control Room Operator, Tankerman, and/or vessel person in charge must individually maintain the capability to shut down the transfer operation.

h. Any LAC proposal must include provisions indicating that in the event any of the monitoring, operating, alarm, or the shut down system fail, the transfer operation must be shut down until a qualified facility person in charge is positioned at each transfer manifold. In the event of a power outage, transfer operations must be shut down or auxiliary power provided to permit continuous monitoring of transfer operations.

i. A copy of each Letter of Alternative Compliance shall be attached to each Declaration of Inspection throughout the duration of any transfer utilizing its provisions.

WAYNE D. GUSMAN  
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Captain of the Port