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DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket No. MARAD-2020-0127]

Deepwater Port License Application: Blue Marlin LLC (BMOP)

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Notice of application.

SUMMARY: The Maritime Administration (MARAD) and the U.S. Coast Guard (USCG) announce they have received an application for the licensing of a deepwater port and that the application contains information sufficient to commence processing. This notice summarizes the applicant's plans and the procedures that will be followed in considering the application.

DATES: The Deepwater Port Act of 1974, as amended, requires at least one public hearing on this application to be held in the designated Adjacent Coastal State(s) not later than 240 days after publication of this notice, and a decision on the application not later than 90 days after the final public hearing(s).

ADDRESSES: The public docket for the BMOP deepwater port license application is maintained by the U.S. Department of Transportation, Docket Management Facility, West Building, Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE, Washington, DC 20590.

The license application is available for viewing at the Regulations.gov website:

<http://www.regulations.gov> under docket number MARAD-2020-0127.

We encourage you to submit comments electronically through the Federal

eRulemaking Portal at <http://www.regulations.gov>. If you submit your comments electronically, it is not necessary to also submit a hard copy. If you cannot submit material using <http://www.regulations.gov>, please contact either Mr. William Nabach, USCG or Dr. Efrain Lopez, MARAD, as listed in the following “**FOR FURTHER INFORMATION CONTACT**” section of this document. This section provides alternate instructions for submitting written comments. Additionally, if you go to the online docket and sign up for email alerts, you will be notified when comments are posted. Anonymous comments will be accepted. All comments received will be posted without change to <http://www.regulations.gov> and will include any personal information you have provided. The Federal Docket Management Facility’s telephone number is 202-366-9317 or 202-366-9826, the fax number is 202-493-2251.

FOR FURTHER INFORMATION CONTACT: Mr. William Nabach, U.S. Coast Guard, telephone: 202-372-1437, email: *William.A.Nabach2@uscg.mil*, or Dr. Efrain Lopez, Maritime Administration, telephone: 202-366-9761, email: *Efrain.Lopez@dot.gov*. For questions regarding viewing the Docket, call Docket Operations, telephone: 202-366-9317 or 202-366-9826.

SUPPLEMENTARY INFORMATION:

Receipt of Application

On October 1, 2020, MARAD and USCG received an application from Blue Marlin Offshore Port LLC (BMOP) for Federal authorizations required for a license to own, construct, and operate a deepwater port for the export of oil as authorized by the Deepwater Port Act of 1974, as amended, 33 U.S.C. 1501 *et seq.* (the Act), and implemented under 33 Code of Federal Regulations (CFR) Parts 148, 149, and 150.

After a coordinated completeness review by MARAD, the USCG, and other cooperating Federal agencies, the application is deemed complete and contains information sufficient to initiate processing.

Background

The Act defines a deepwater port as any fixed or floating manmade structure other than a vessel, or any group of such structures, that are located beyond State seaward boundaries and 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, or from, any State. A deepwater port includes all components and equipment, including pipelines, pumping or compressor stations, service platforms, buoys, mooring lines, and similar facilities that are proposed as part of a deepwater port to the extent they are located seaward of the high-water mark.

The Secretary of Transportation delegated to the Maritime Administrator authorities related to licensing deepwater ports (49 CFR 1.93(h)). Statutory and regulatory requirements for processing applications and licensing appear in 33 U.S.C. 1501 *et seq.* and 33 CFR part 148. Under delegations from, and agreements between, the Secretary of Transportation and the Secretary of Homeland Security, applications are jointly processed by MARAD and USCG. Each application is considered on its merits.

In accordance with 33 U.S.C. 1504(f) for all applications, MARAD and the USCG, working in cooperation with other involved Federal agencies and departments, shall comply with the requirements of the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321 *et seq.*). The Federal Energy Regulatory Commission (FERC), the U.S. Environmental Protection Agency (EPA), the U.S. Army Corps of Engineers

(USACE), the National Oceanic and Atmospheric Administration (NOAA), the Bureau of Ocean Energy Management (BOEM), the Bureau of Safety and Environmental Enforcement (BSEE), and the Pipeline and Hazardous Materials Safety Administration (PHMSA), among others, participate in the processing of deepwater port applications and assist in the NEPA process as described in 40 CFR sections 1500-1508. Each agency may participate in scoping and/or other public meeting(s) and may adopt the MARAD/USCG prepared environmental impact review for purposes of their jurisdictional permitting processes, to the extent applicable. Comments related to this deepwater port application addressed to the EPA, USACE, or other Federal agencies should note the Federal docket number, MARAD-2020-0127. Each comment will be incorporated into the Department of Transportation (DOT) docket and considered as the environmental impact analysis is developed to ensure consistency with the NEPA process.

All connected actions, permits, approvals and authorizations will be considered during the processing of BMOP's deepwater port license application.

MARAD, in issuing this Notice of Application pursuant to 33 U.S.C. 1504(c), must designate as an "Adjacent Coastal State" any coastal state which (A) would be directly connected by pipeline to a deepwater port as proposed in an application, or (B) would be located within 15 nautical miles of any such proposed deepwater port (see 33 U.S.C. 1508(a)(1)). Pursuant to the criteria provided in the Act, Louisiana and Texas are the designated Adjacent Coastal States for this application. Other states may request from the Maritime Administrator designation as an Adjacent Coastal State in accordance with 33 U.S.C. 1508(a)(2).

The Act directs that at least one public hearing take place for each Adjacent Coastal State, in this case, Louisiana and Texas. Additional public meetings may be conducted to solicit comments for the environmental analysis to include public scoping meetings, or meetings to discuss the Draft and Final environmental impact documents prepared in accordance with NEPA.

MARAD, in coordination with the USCG, will publish additional Federal Register notices with information regarding these public meeting(s) and hearing(s) and other procedural milestones, including the NEPA environmental impact review. The Maritime Administrator's decision, and other key documents, will be filed in the public docket at docket number MARAD-2020-0127.

The Deepwater Port Act imposes a strict timeline for processing an application. When MARAD and USCG determine that an application is complete (i.e., contains information sufficient to commence processing), the Act directs that all public hearings on the application be concluded within 240 days from the date the Notice of Application is published.

Within 45 days after the final hearing, the Governors of the Adjacent Coastal States, in this case the Governors of Louisiana and Texas, may notify MARAD of their approval, approval with conditions, or disapproval of the application. If such approval, approval with conditions, or disapproval is not provided to the Maritime Administrator by that time, approval shall be conclusively presumed. MARAD may not issue a license without the explicit or presumptive approval of the Governors of the Adjacent Coastal States. During this 45-day period, the Governors may also notify MARAD of inconsistencies between the application and States programs relating to environmental

protection, land and water use, and coastal zone management. In this case, MARAD may condition the license to make it consistent with such state programs (33 U.S.C. 1508(b)(1)). MARAD will not consider written approvals or disapprovals of the application from the Governors of the Adjacent Coastal States until after the final public hearing is complete and the 45-day period commences.

The Maritime Administrator must render a decision on the application within 90 days after the final hearing.

In accordance with section 33 U.S.C. 1504(d), MARAD is required to designate an application area for a deepwater port application intended to transport oil. Section 1504(d)(2) provides MARAD the discretion to establish a reasonable application area constituting the geographic area in which only one deepwater port may be constructed and operated. MARAD has consulted with USCG in developing BMOP's application area and designates an application area encompassing the deepwater port that is a circle having a radius of no less than three-and-three-tenths (3.30) nautical miles centered at BMOP's existing WC 509 platform, latitude N28° 26' 00.01" and longitude W93° 00' 15.23". Any person interested in applying for the ownership, construction, and operation of a deepwater port within this designated application area must file with MARAD (see **FOR FURTHER INFORMATION CONTACT**) a notice of intent to file an application for the construction and operation of a deepwater port not later than 60 days after the date of publication of this notice, and shall submit a completed application no later than 90 days after publication of this notice.

Should a favorable record of decision be rendered and license be issued, MARAD may include specific conditions related to design, construction, operations, environmental

permitting, monitoring and mitigations, and financial responsibilities. If a license is issued, USCG in coordination with other agencies as appropriate, would review and approve the deepwater port's engineering, design, and construction; operations/security procedures; waterways management and regulated navigation areas; maritime safety and security requirements; risk assessment; and compliance with domestic and international laws and regulations for vessels that may call on the port. The deepwater port would be designed, constructed and operated in accordance with applicable codes and standards.

In addition, installation of pipelines and other structures may require permits under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act, which are administered by the USACE.

Permits from the EPA may also be required pursuant to the provisions of the Clean Air Act, as amended, and the Clean Water Act, as amended.

Summary of the Application

BMOP is proposing to construct, own, and operate a deepwater port terminal in the Gulf of Mexico to export domestically produced crude oil. Use of the deepwater port would include the loading of various grades of crude oil at flow rates of up to 80,000 barrels per hour (bph). The BMOP deepwater port would allow for up to one (1) Very Large Crude Carrier (VLCC) or other crude oil carrier per catenary anchor leg mooring (CALM) and connect with the deepwater port via floating connecting crude oil hoses. The maximum frequency of loading VLCCs or other crude oil carriers would be approximately 2 million barrels per day (1,920,000), 365 days per year.

The overall project would consist of offshore and marine components as well as onshore components as described below.

The BMOP deepwater port offshore and marine components would consist of the following:

- Two (2) new CALM Buoys installed, one in WC 508 (CALM Buoy No. 1) and the other in EC 263(CALM Buoy No. 2). The CALM Buoys will be anchored to the seafloor via an engineered mooring system capable of accommodating mooring forces exerted by a VLCC or other large seafaring vessels during loading operations. Two 24-inch diameter floating hoses will be connected to each CALM Buoy. The hoses will be approximately 1,500 feet long and used for loading operations.
- Two new PLEMs installed and anchored on the seafloor. Two 24-inch undersea flexible hoses will be connected to each PLEM and associated CALM Buoy.
- Two Crude Oil Loading Pipelines, approximately 4,710 feet long to PLEM / CALM Buoy No. 1 and 6,085 feet long to PLEM / CALM Buoy No. 2, installed from the WC 509 Platform Complex to the PLEM and CALM locations, one for each PLEM and CALM Buoy. The pipelines will be installed with the top of pipe at least three feet below the natural seafloor.
- New MLV on WC 148 Platform;
- Two new 36-inch risers connected to the Crude Oil Loading Pipelines on WC 509B Platform;
- New control room on WC 509B Platform;

- Three new pig barrels, one on the WC 509A Platform and two on WC 509B Platform;
- Meter station for crude oil on the WC 509B Platform;
- New living quarters (LQ) and heliport on the WC 509C Platform;
- Surge valves and tank on the WC 509B Platform; and
- New ancillary equipment for the 509 Platform (e.g., power generators, instrument/utility air system, fuel tanks, ac units, freshwater makers, firewater system, seawater and freshwater system, sewage treatment unit, fuel gas system, diesel system, closed drain system, open drain system, hydraulic power unit, hypochlorite system, cranes, communications tower and system, radar) to support operation of the offshore facilities.
- Safety Zone - The Applicant is requesting that the USCG Captain of the Port establish a Safety Zone around the entire DWP operations area. The Safety Zone will only be open to entry for VLCCs or other crude oil carriers prepared for connection for loading of crude oil, and the necessary service vessels supporting that process.
- Anchorage area – Existing USCG-designated anchorage areas will be utilized for VLCCs (or other crude carriers) awaiting mooring at a CALM Buoy or if they must disconnect from the CALM Buoys for safety reasons.

Support vessel mooring area – A designated Service Vessel Mooring Area will be established in proximity to the offshore WC 509 facilities.

The BMOP deepwater port onshore storage and supply components would consist of the following:

- Temporary pre-fabrication yards – Component fabrication will occur at multiple existing fabrication facilities within the GOM coastal region.
- Support facilities – Facilities within the GOM coastal region providing support for offshore operations and maintenance activities (e.g., helicopters, supply vessels, work boats, equipment suppliers, and maintenance workers).

For more information on the BMOP deepwater port project, you can visit the Regulations.gov website: <http://www.regulations.gov> under docket number MARAD-2020-0127.

Privacy Act

The electronic form of all comments received into the Federal Docket Management System can be searched by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). The DOT Privacy Act Statement can be viewed in the Federal Register published on April 11, 2000 (Volume 65, Number 70, pages 19477-78) or by visiting <http://www.regulations.gov>.

(Authority: 33 U.S.C. 1501, *et seq.*; 49 CFR 1.93(h))

Dated: October 30, 2020.

By Order of the Maritime Administrator.

T. Mitchell Hudson, Jr.,

Secretary, Maritime Administration.

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