MEMORANDUM OF AGREEMENT
BETWEEN THE
MINERALS MANAGEMENT SERVICE – U.S. DEPARTMENT OF THE INTERIOR
AND THE
U.S. COAST GUARD – U.S. DEPARTMENT OF HOMELAND SECURITY

MMS/USCG MOA: **OCS-01** Effective Date: 30 September 2004

SUBJECT: AGENCY RESPONSIBILITIES

A. PURPOSE

The purpose of this Memorandum of Agreement (MOA) is to identify responsibilities of the Minerals Management Service (MMS) and the U.S. Coast Guard (USCG) for systems and sub-systems on mobile offshore drilling units (MODUs) and fixed and floating offshore facilities, and establish understandings related to civil penalties, accident investigations, and oil spill planning, preparedness, and response.

This MOA replicates technical and process sections of the MMS/USCG Memorandum of Understanding (MOU) dated 16 December 1998, that was cancelled by the adoption of the MMS/USCG MOU dated 30 September 2004. Implementation of this MOA will be in accordance with Section J (Memorandum of Agreements – Development and Implementation) of the 30 September 2004 MOU. The participating agencies will review their internal procedures and, where appropriate, revise them to accommodate the provisions of this MOA.

B. STATUTORY AUTHORITIES

The USCG and MMS enter this agreement under authority of 14 USC §141 – Coast Guard Cooperation with other Agencies; 43 USC § 1347, 1348(a) -the Outer Continental Shelf Lands Act (OCSLA), as amended; 33 USC § 2712 (a)(5)(A) - the Oil Pollution Act of 1990 (OPA); and 43 USC §§ 1301-1315 - the Submerged Lands Act (SLA), as amended.

C. AGENCY RESPONSIBILITIES

1. COMMUNICATIONS AND CONTACTS

The participating agencies will identify in writing appropriate representatives for the purposes of keeping each other timely informed of issues, relevant applications, routine policy determinations, and to coordinate joint activities. For the USCG, the Assistant Commandant for Marine Safety, Security, and Environmental Protection is responsible for identifying that representative. For MMS, the Associate Director of Offshore Minerals Management is responsible for identifying that representative.

These representatives will maintain an accurate and updated list of contacts for their respective agency and will make notifications of any changes to agency representatives to their counterpart. The participating agencies recognize that emergency situations arise during times other than standard working hours. The participating agencies will establish a method of making notifications and obtaining information outside of normal working hours. USCG Districts and MMS Regional Offices will ensure that up-to-date emergency 24-hour phone and pager numbers are provided to appropriate staff in both agencies.

Designation of agency representatives by function:

	USCG	MMS
Headquarters	Chief, Vessel & Facility Operating Standards (G-MSO-2)	MMS Agency Liaison to the Coast Guard
USCG Districts/MMS Regional Offices	**Gulf of Mexico (GOM):** D8 Chief, Marine Safety Division **Alaska:** D17 Chief, Marine Safety Division **California:** D11 Chief, Marine Safety Division	**GOM:** GOM Regional Supervisor for Field Operations **Alaska:** Alaska OCS Regional Supervisor for Field Operations **California:** Pacific OCS Region Chief, Office of Facilities, Safety, and Enforcement
USCG Marine Safety Offices (MSOs)/ MMS Districts	Officer in Charge, Marine Inspection (OCMI) at: **GOM:** MSO Mobile MSO New Orleans MSO Morgan City MSO Port Arthur MSO Houston/Galveston MSO Corpus Christi **Alaska:** MSO Anchorage **California:** MSO Los Angeles/Long Beach	District Manager at: **GOM:** New Orleans District Houma District Lafayette District Lake Charles District Lake Jackson District **Alaska:** Alaska OCS Regional Supervisor for Field Operations **California:** Santa Maria District Camarillo District

2. Civil Penalties

The USCG reports violations of Outer Continental Shelf Lands Act (OCSLA) statutes or regulations that may result in civil penalty action to MMS. The USCG will investigate and document OCSLA-based violation cases according to the procedures in 33 Code of Federal Regulations (CFR) 140.40 with the following clarification: the cognizant Officer-in-Charge, Marine Inspection (OCMI) makes the determination whether a violation "constitutes or constituted a threat of serious, irreparable, or immediate harm." If the OCMI determines:

a. That it does, the OCMI will refer the case to MMS and recommend that a civil penalty be assessed.

b. That it does not, then the OCMI will establish a reasonable time for the violator to fix the problem. The OCMI may do this in consultation with MMS, particularly on matters in which MMS has expertise or knowledge of industry practice. If the violator does not correct the problem, or does not file an appeal with the appropriate USCG official in the allotted time, the OCMI will refer the case to MMS, pursuant to 43 USC 1348 (a).

When referring a case to MMS, the OCMI will forward the following information:

a. The case file, which consists of a summary of the investigation and a USCG determination of the regulations violated.

b. A description of the seriousness of the violation and any incidents actually associated with the violation.

c. If requested, additional information concerning the merits of a civil penalty action. All physical evidence remains with the USCG, but will be made available to the MMS upon request.

If the violator files an appeal of a USCG enforcement action, the USCG will not forward the case to MMS until the appeal has been resolved.

Upon receipt of the violation report, the MMS Regional Civil Penalty Coordinator will appoint a Reviewing Officer (RO) who will process the report in accordance with the MMS OCS Criminal/Civil Penalties Program Guidebook.

Notification of the MMS RO's decision regarding the civil penalty assessment, collection, compromise, or dismissal shall be provided to the OCMI originating the violation report.

Any item, collection or grouping of information about an individual, or that can be retrieved by using the name of the individual, that is obtained by the USCG pursuant to an investigation into OCSLA violations must be maintained or used in compliance with the Privacy Act (5 U.S.C 552a) and entered into an appropriate system of records.

3. Oil Spill Financial Responsibility

The MMS determines oil spill financial responsibility (OSFR) for certain facilities located in the OCS and State offshore waters included in the definition of Covered Offshore Facility (COF) found

at 30 CFR 253.3. The OSFR ensures that responsible parties can pay for cleanup and damages from facility oil spills.

The MMS will provide OSFR-related information to the USCG upon request. Upon request from the USCG, MMS will provide available information for any COF in OCS and State waters that are involved in an oil pollution incident including:

a. Copies of the lease, permit, or right of use and easement for the area in which the COF is located;

b. Contacts for claims;

c. Agents for service of process;

d. Amounts guaranteed; and

e. List of all responsible parties.

The USCG issues Certificates of Financial Responsibility (COFRs) for vessels and floating OCS facilities which store oil. These COFRs are in addition to the MMS OSFR and address the operator's financial responsibility for the clean up and damages from oil discharges resulting from non-well-related sources and produced oil stored onboard floating OCS facilities.

4. Oil Spill Preparedness and Response Planning

The MMS, for all facilities seaward of the coast line, requires that responsible parties maintain approved Oil Spill Response Plans (OSRPs) consistent with applicable Area Contingency Plans (ACPs) and the National Contingency Plan (NCP); ensures that response personnel receive training; and that response equipment is inspected. The MMS will require and conduct unannounced oil-spill response drills. The MMS Regional Supervisor (RS) will advise the Federal On-Scene Coordinator (FOSC) of drills, to coordinate participation and avoid conflict or duplication.

The USCG Captain of the Port (COTP) serves as the pre-designated FOSC in accordance with the NCP. The appropriate FOSC will also jointly approve OSRPs for floating facilities which store oil. Participation in MMS drills will be at the discretion of the FOSC. The FOSC will advise the MMS RS of spill-response drills and activities, such as exercise and response activities, occurring on facilities seaward of the coastline.

5. Oil Spill Response

All spills are required to be reported to the National Response Center (NRC). The NRC provides notification to the appropriate agencies and State offices. Additionally, OCS facility owners or operators are required to report spills of one barrel or more to the MMS RS.

The FOSC will direct and monitor Federal, State, and private actions, consult with responsible parties, and determine the removal action. The MMS RS will direct measures to abate sources of pollution from an OCS facility. However, if a discharge poses a serious threat to public health, welfare, or the environment, in accordance with Public Law 101-380 (Oil Pollution Act) Sec. 4201, the FOSC may mitigate or prevent the substantial threat of a discharge and notify the MMS RS as soon as possible. The MMS will authorize the return of an OCS facility to operation in coordination with the FOSC.

6. Accident Investigations

The MMS or the USCG is responsible for conducting investigations and preparing a public report for each major fire, sizeable oil spillage, serious injury, and fatality associated with OCS activities. To avoid duplication of effort and to simplify administration, the responsibility for investigating and preparing a public report for these incidents rests with the agency that is listed in the table provided in Annex 1 of this MOA (System/Sub-System Responsibility Matrix) as being responsible for the system associated with the incident. In addition, the MMS investigates blowouts and the USCG investigates collisions and allisions.

For those incidents for which both agencies have an investigative interest in the system associated with the incident, one agency will assume lead investigative responsibility with supporting participation by the other agency. The lead agency in a joint investigative effort shall investigate and prepare, approve, and release the report in accordance with the normal procedures of that agency, subject to the following terms and conditions:

a. The lead agency shall be determined through mutual agreement. If mutual agreement is not reached, each agency may decide to conduct its own investigation.

b. The specific details of a supporting agency's participation in a joint investigation shall be determined on a case-by-case basis through mutual agreement.

c. Prior to the public release of a joint agency report, the supporting agency will be afforded an opportunity to comment on the report. If the supporting agency's conclusions and/or recommendations differ with those of the lead agency, either both conclusions and/or recommendations will be included in the lead agency's report in a mutually acceptable manner, or a joint report will not be issued, and each agency may issue separate reports.

7. Offshore Facility System/Sub-System Responsibility Matrix

The table provided in Annex 1 of this MOA lists the lead agency for systems and sub-systems associated with MODUs and fixed and floating OCS facilities. Other agency roles are identified where applicable. The lead agency is responsible for coordinating with the other agency as appropriate.

D. General Provision

Nothing in this MOA alters, amends, or affects in any way, the statutory authority of the MMS or the USCG. This MOA cannot be used to obligate or commit funds or as the basis for the transfer of funds. All provisions in this MOA are subject to the availability of personnel and funds. The MOA is not intended to, nor does it, create any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by any person or party against the United States, its agencies, its officers, or any other person. This MOA neither expands nor is in derogation of those powers and authorities vested in the participating agencies by applicable law. It is the intent of the parties that the MOA remain in force even if a portion of it is determined to be unlawful, provided the remaining portion can be read coherently and understood.

E. Amendments to the MOA

This MOA may be amended by mutual agreement of the participating agencies as described in Section J of the MMS/USCG MOU dated 30 September 2004.

F. Termination

The MOA may be terminated upon a 30-day advance written notification.

for Thomas A. Readinger
Associate Director
Offshore Minerals Management
Minerals Management Service
U.S. Department of the Interior

Rear Admiral Thomas H. Gilmour
Assistant Commandant for Marine Safety,
Security, and Environmental Protection
U.S. Coast Guard
U.S. Department of Homeland Security

ANNEX 1

OFFSHORE FACILITY SYSTEM/SUB-SYSTEM RESPONSIBILITY MATRIX

This table lists the lead agency for system and sub-systems associated with MODUs and fixed and floating OCS facilities. Other agency roles are identified where applicable. The lead agency is responsible for coordinating with the other agency as appropriate.

			Lead Agency			
Item	**System**	**Sub-System**	**MODU**	**Fixed**	**Floating**	**Other Agency Role(s) and Comments**
1	**Design & Operating Overview/Plan**					
1.a		Deepwater Operating Plan	N/A	MMS	MMS	Where required
1.b		Design Basis Document	USCG	N/A	USCG	
1.c		Design, fabrication, and installation verification plans	N/A	MMS	MMS	Section applies to MMS's Certified Verification Agent (CVA) Program.
2	**Structural Integrity**					
2.a		Structural integrity, modifications for construction and repair requirements	USCG	MMS	MMS & USCG	USCG responsibilities for fabrication, installation, and inspection of floating units are found in 33 CFR Subchapter N. MMS responsibilities are found in 30 CFR Subpart I. USCG and MMS will each review the design of the turret and turret/hull interface structure for ship-shape floating facilities. All other aspects of the design and fabrication of all ship-shape floating facilities will receive only USCG review. All design, fabrication, and installation activities of all non-ship- shape floating facilities will be reviewed by both agencies.
2.b		Design environmental conditions	USCG	MMS	MMS	Establishes in-place design environmental criteria.
					USCG	Establishes design environmental criteria for intact and damage stability.
2.c		Risers (drilling, production, and pipeline)	MMS	MMS	MMS	Some pipeline risers may be subject to jurisdiction of the Research and Special Programs Administration (RSPA).

			Lead Agency			
Item	**System**	**Sub-System**	**MODU**	**Fixed**	**Floating**	**Other Agency Role(s) and Comments**
3	**Floating Stability**		USCG	N/A	USCG	USCG reviews and approves stability and sends copies to MMS.
4	**Station Keeping**					
4.a		Foundations	USCG	MMS	MMS	
4.b		Mooring and tethering systems	USCG	MMS	USCG & MMS	USCG is not responsible for site specific mooring analyses
4.c		Dynamic positioning	USCG	N/A	USCG	
5	**Drilling, Completion, Well Servicing & Workover**		MMS	MMS	MMS	See applicable section on System Description/Components at end of table.
6	**Production**		MMS*	MMS	MMS	See applicable section on System Description/Components at end of table. * Production equipment is not normally installed on a MODU; however, such equipment may be installed for a finite time and designed for removal. In such cases, MMS is the lead agency.
7	**Pipeline Operations and Components**		MMS	MMS	MMS	Certain pipelines are subject to the MMS MOU(s) with RSPA.
8	**Lightering Equipment & Procedures**		USCG	USCG	USCG	
9	**Utility Systems**					
9.a		Boilers, pressure vessels, waste heat recovery (from any engine exhaust), water heaters and other piping or machinery	USCG	MMS	USCG	Listed equipment/systems not supporting drilling or production.
					MMS	Listed equipment/systems supporting drilling or production.
9.b		High pressure (HP) washdown	USCG	MMS	USCG	Listed system components and piping not supporting drilling or production.
					MMS	Listed system components and piping supporting drilling or production.
9.c		Seawater supply	USCG	MMS	USCG	
9.d		Compressed air	USCG	MMS	USCG	Listed system components and piping not supporting drilling or production.
					MMS	Listed system components and piping supporting drilling or production.
9.e		Potable wash and sanitary water	USCG	USCG	USCG	
9.f		Sewage unit & piping	USCG	USCG	USCG	
9.g		Diesel fuel	USCG	MMS	USCG	
9.h		Bilge & ballast, including pumps, and related control systems	USCG	N/A	USCG	
9.i		Fuel gas from well	MMS	MMS	MMS	For MODUs and floating facilities, when powering drilling and production systems.
			USCG		USCG	For MODUs and floating facilities, when powering emergency and ship-service systems.
10	**Elevators for Personnel**		USCG	USCG	USCG	

			Lead Agency			
Item	**System**	**Sub-System**	**MODU**	**Fixed**	**Floating**	**Other Agency Role(s) and Comments**
11	**Aircraft Landing and Refueling**	Decks, fuel handling, and storage	USCG	MMS	USCG	
12	**Fire Protection**					See applicable section on System Description/Components at end of table.
12.a		Fire protection, detection, and extinguishing	USCG	USCG	USCG	
12.b		Structural fire protection for accommodations	USCG	USCG	USCG	
13	**Safety Systems**					Includes interfaces between fire protection systems and MMS regulated safety systems.
13.a		Emergency shut-down systems	MMS	MMS	MMS	For MMS required systems. Excludes "remote stopping devices" required for USCG-regulated systems.
13.b		Gas detection	MMS	MMS	MMS	
13.c		Drilling, production, well-control safety, and shutdown systems	MMS	MMS	MMS	
13.d		General alarm	USCG	USCG	USCG	Includes public address system when integrated with general alarm system
14	**Electrical Design & Equipment**					
14.a		Production	MMS *	MMS	MMS	See applicable section on System Description/Components at end of table. * Production equipment is not normally installed on a MODU; however, such equipment may be installed for a finite time and designed for removal. In such cases, MMS is the lead agency.
14.b		Drilling systems	USCG	MMS	USCG	See applicable section on System Description/Components at end of table
					MMS *	* MMS is the lead agency for drilling equipment installed for a finite time and designed for removal.
14.c		Emergency lighting power generation and distribution	USCG	USCG	USCG	
14.d		Hazardous areas classification	USCG	MMS	MMS and USCG	MMS and USCG will work on common, logical standards to minimize duplication of effort for industry.
15	**Aids to Navigation**		USCG	USCG	USCG	
16	**Communications**		USCG	USCG	USCG	
17	**Pollution Prevention**					
17.a		Pollution not associated with vessel transfers	USCG	USCG	USCG	Garbage and plastics per the International Convention for the Prevention of Pollution from Ships (MARPOL 73/78)
			MMS	MMS	MMS	Other Pollution
17.b		Petroleum and other product transfers to and from a vessel (includes lightering of produced hydrocarbons)	USCG	USCG	USCG	

			Lead Agency			
Item	**System**	**Sub-System**	**MODU**	**Fixed**	**Floating**	**Other Agency Role(s) and Comments**
18	**Cranes and Material Handling Equipment**					
18.a		Crane design, certification, and operations	USCG	MMS	USCG	
18.b		Other material handling equipment	USCG	MMS	USCG	
19	**Ventilation**					
19.a		Accommodations and machinery spaces	USCG	USCG	USCG	
19.b		Areas other than accommodations or machinery spaces	USCG	MMS	MMS	
20	**Life Saving Equipment**		USCG	USCG	USCG	
21	**Workplace Safety and Health**					
21.a		Personnel protection equipment	USCG	USCG	USCG	
21.b		Hazardous material storage & handling (other than produced hydrocarbons)	USCG	USCG	USCG	
22	**Living Quarters and Accommodation Spaces**		USCG	USCG	USCG	Includes permanent and temporary units design & arrangement.
23	**General Arrangements**					
23.a		Access/egress & means of escape	USCG	USCG	USCG	
23.b		Safety plan, fire control or fire equipment, and lifesaving equipment plans	USCG	USCG	USCG	
24	**Miscellaneous Systems and Operational Requirements**					Supplements list of above mentioned systems.
24.a		Structural inspection requirements	USCG	MMS	USCG	USCG will copy MMS on approvals and compliance records. MMS recommends that USCG at least meet the requirements of the American Petroleum Institute's Recommended Practice 2A (API-RP2A) — Planning, Designing, and Constructing Fixed Offshore Platforms Working Stress Design
24.b		Personnel requirements for marine and lifesaving operations	USCG	USCG	USCG	
24.c		Emergency evacuation plans	USCG	USCG	USCG	
24.d		Drills - fire, abandon, and lifeboat	USCG	USCG	USCG	

			Lead Agency			
Item	**System**	**Sub-System**	**MODU**	**Fixed**	**Floating**	**Other Agency Role(s) and Comments**
24.e		Inspection and testing of all production and drilling equipment	MMS	MMS	MMS	Includes hydrogen sulfide gas (H_2S).
24.f		Inspection and testing of marine and lifesaving equipment	USCG	USCG	USCG	
24.g		Well-head & platform removal (decommissioning)	MMS	MMS	MMS	
24.h		Safe welding, burning and hot tapping	MMS	MMS	MMS	
24.i		Diving operations & equipment	USCG	USCG	USCG	
24.j		H_2S contingency plan (including equipment, control, and detection systems)	MMS	MMS	MMS	Includes H_2S personnel protection equipment.
25	**Investigation - Lead Responsibility**					
25.a		Oil Pollution reportable under the OCSLA	MMS	MMS	MMS	Addresses oil pollution reportable under OSCLA
25.b		Oil Pollution under the Clean Water Act (CWA impact)	USCG	USCG	USCG	Conduct preliminary assessments and follow-on actions in accordance with the NCP and investigation into violation of CWA
25.c		Incidents involving systems under USCG jurisdiction	USCG	USCG	USCG	
25.d		Incidents involving systems under MMS's jurisdiction	MMS	MMS	MMS	
26	**Administer Shutdown or Resumption of Operation of a Facility**		MMS	MMS	MMS	See Section H.4 of this MOA for emergency shut-down exception criterion
27	**Safety Analysis**	Safety analysis of industrial systems	USCG	MMS	MMS	For MODU's see the requirements of 46 CFR 58.60-11 and 58.60-13

System Descriptions/Components

Item 5. Drilling, Completion, Well Servicing and Workover Systems:

1) Drilling, production, and workover riser
2) Blowout prevention equipment and control systems
3) Drilling system and related relief valves, vent system, pressure vessels and pipeline, pumps, water systems, safety systems, cementing systems, and circulating systems
4) Riser and guideline tensioning systems
5) Motion compensating systems
6) Instruments and controls

7) Atmospheric vessels and piping
8) Fitness of the drilling unit
9) Lifting and hoisting equipment associated with the derrick
10) Cementing systems
11) Circulating systems, including: pipes and pumps for mud, shale shakers, desanders, degassers
12) Structures including derrick and sub-structure
13) Bulk material storage and handling systems
14) Other pressurized systems designed for industrial operations

Item 6. Production Systems

1) Hydraulic systems
2) Connections between production and workover (industrial) systems
3) Production safety systems including subsurface and surface well control
4) Relief valves, relief headers, vent and flare systems
5) Production wells and wellhead
6) Well-handling equipment (contract drilling rig)
7) Instrumentation, controls, and measurement (including oil and gas)
8) Gas compression
9) Process system and related pumps
10) Odorization for gas piped into enclosures
11) Process system and related pressure vessels and piping
12) Process system and related heat exchangers, including waste heat recovery units
13) Chemical injection and treatment systems

Item 12. Fire Protection, Detection, and Extinguishing

1) Deluge systems in the well bay area
2) Firewater pumps, piping, hose reel and monitor equipment
3) Foam extinguishing equipment
4) Fixed gaseous extinguishing equipment (carbon dioxide (CO_2) and halon alternatives)
5) Fixed water mist extinguishing equipment
6) Portable and semi-portable extinguishers
7) Fire and smoke detection (excludes interfaces to MMS regulated safety systems)