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16713/5/3 July 9, 2025

Constantine G. Papavizas Winston & Strawn, L.L.P. 1901 L Street NW Washington, DC 20036

Dear Mr. Papavizas:

This is in response to your letter of March 6, 2025 requesting a determination pursuant to 46 C.F.R. § 67.177 that certain proposed modifications to be performed in a shipyard in the People's Republic of China on the vessel S/S HORIZON SPIRIT (Official Number 624457), to be renamed the M/V RUSSEL G and owned by Sunrise Spirit, L.L.C., will not adversely affect the coastwise eligibility of the subject vessel under 46 C.F.R. § 67.97.

Pursuant to our review of your submission and consistent with National Vessel Documentation Center ("NVDC") past practice, we requested a review and analysis of your March 6, 2025 determination request and supplemental materials by the Coast Guard's Naval Architecture Division ("NAD"). After some back and forth developing additional information relevant to the proposed work, NAD completed its review and forwarded its observations and conclusions to NVDC on July 2, 2025.

Upon review, NAD observed that the vessel is an 801-foot former LASH ship, originally built at Avondale Shipyards in 1978. NAD further observed that the principal objective of the modifications is an engine replacement moving from the current steam propulsion system to a slow-speed, LNG-ready diesel engine, as well as adding reefer container capacity to the forward holds. To accommodate the new, larger, and heavier diesel engine, the Engine Room will be lengthened by removing its original forward bulkhead at Frame 85, and installing a new bulkhead at Frame 83, involving substantial reinforcement of the double bottom in way of engine foundations. Because the bulkheads provide transverse structural strength to the hull, the modifications are included in both the added and removed structural steel weight totals.

Furthermore, NAD observed that the proposed modifications will involve removal of the original port and starboard stackhouses, replacement with a new centerline Stackhouse and new deck-top container stowage area, and removal and reconstruction of the transverse box girder and Main Deck at Frames 55 to 57. Finally, other, non-structural modifications planned include ventilation ducting, access stairs, and electrical installations for reefer container connections.

NAD concluded, based upon a prior review of the class in 2013, that the discounted steelweight for vessel O/N 624457 is 10,680 Ltons (10,874 Mtons) and that the 7.5 percent rebuild weight threshold is 801 Ltons. Thereby, the 1.5 percent "major component" threshold is 160.2 Ltons,

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rendering the proposed work within the allowable foreign rebuild weight limits. NAD noted that if the proposed work is completed as outlined in the proposal, the remaining weight margin for future foreign steel work is 353 Ltons, with a "major component" weight limit remaining at 160.2 Ltons. Finally, NAD noted that the proposed scope of work does not include other structural steel repairs that might also be accomplished during the same shipyard overhaul, such as replacement of hull plating.

In light of the foregoing, and based upon the information provided, I confirm that the proposed modifications to be performed in a People's Republic of China shipyard will not adversely affect the U.S. build status of, and eligibility to operate in the coastwise trades of the United States upon completion, vessel O/N 624457.

Sincerely,

Christina G. Washburn

Christman W. Washber

Director