



Subchapter M TPO/Class Quarterly Meeting – 19 December 2019

Meeting Minutes



I. Opening: The meeting was called to order at 12:01 P.M. CST by CDR Andrew Bender, TVNCOE.

II. Present: TVNCOE, CVC-1 and CVC-4 staff and representatives from ABS, EDT, ITOW, Meridian, Sabine and TVIB.

III. Agenda Topics and Discussion (Past Business): None to report

IV. Agenda Topics and Discussion (New Business):

a. Policy Updates: none to report

b. Fleet Status:

1. 239 TSMS/DOCs issued (up 20 from six months ago)
2. 3375 vessels covered by TSMSs/DOCs (up 125 from six months ago)
3. 1405 COIs issued (72/28 TSMS Option). Single vessel companies only around 12%, while multi-vessel companies at 26%
4. 234 in COI processing queue.

c. Is there a requirement for the TPO to be at the company office for an external management audit?

Coast Guard (CG) Answer: No, 46 CFR 138.410 does not require physical presence (and ISO 9001:2015 allows remote audits); however, the TPO assumes risks and the TPO QMS should dictate the answer. Although the rule remains silent on the same, the CG highly discourages based on the following: the auditor's ability to validate that the company has adequate resources (i.e. people, material) to support their objectives, ability to verify the company actually exists at the address given, ability to verify that the company actually functions as prescribed by the SMS, and/or the ability to validate/observe personnel performance in accordance with their SMS duties.

d. How are TPOs tracking deficiencies (survey) or nonconformities (audit) they've issued? If a TPO issues a deficiency or nonconformity and the company or vessel does not meet the timeline for clearing the issue, what are the TPO's actions to ensure compliance?

Sabine and ABS noted how they are tracking the same, while Sabine noted the difficulty holding the companies accountable for missing TPO timelines.

CG Posture: Company SMS and TPO QMS are required to cover this area. If the company is not following their SMS, the TPO may issue a major nonconformity, and/or rescind the TSMS or recommend TSMS suspension or revocation to the CG.

- e. What is the process for a vessel that obtained their initial COI under the CG option, but subsequently wants to be added as a TSMS option vessel; same scenario, but TSMS to TSMS; same scenario, but TSMS to CG Option?

CG Answer: If transitioning from (1) CG to TSMS Option, vessel shall apply for a new COI per 46 CFR 136.130(e), the company is required to have a TSMS Certificate (or DOC), and TPO may use the COI or CG annual inspection (most recent) to dictate whether they are satisfied with vessel compliance. Within six months of operating under said TSMS, the TPO conducts an external vessel audit. (2) If transitioning from TSMS to TSMS Option, vessel requests an amended COI with updated TSMS, TPO, and/or owner/operator info, receiving TPO dictates objective evidence needed to ensure vessel compliance, and, being the “initial COI for (the) vessel(s) subject to the owner or managing operator’s TSMS that have been owned or operated for fewer than 6 months prior to receiving the initial COI”, the TPO is required to conduct an external vessel audit per 46 CFR 138.315(b)(2) no later than 6 months after the issuance of the amended COI. (3) For vessel transition from TSMS to CG Option, vessel shall apply for a new COI, and the OCMI dictates objective evidence needed to validate vessel compliance for the COI.

TVIB asked whether amending the COI vs applying for a new COI to change programs would then require the vessel to have a DD/ISE to obtain the new COI, while EDT noted the allowance for harmonization for international certificates. *CG Answer to TVIB’s point:* The ISE/DD dates defined by the initial COI should not change, so although “a new COI” is issued, a DD/ISE will not be required until as stated in the initial COI.

- f. Discuss TPO role for closing a verbal 835v.

CG Answer: A verbal 835 essentially means that the CG discovered a minor deficiency, and in turn “verbally” passed to the master, owner, or managing operator (CVC PL 17-10) and allowed them to document/correct per their TSMS. The CG may also refer the minor deficiency to the company’s TPO to oversee correction of the same. In this case, the TPO should ensure the deficiency is cleared within the documented timeline. The CG plans to update the posture to document all deficiencies detected by the CG – including minor 835Vs – but may allow using the worklist option to keep them from PSIX.

TVIB noted concerns are not only with minors, but that some OCMI zones are telling the TPO to take care of serious deficiency level issues while not providing ample guidance. Additionally, referral letters for 835Vs to TPOs are going out from some OCMI. *CG Answer to TVIB’s point:* Only minor deficiencies should be referred to TPOs for them to manage/clear; and, OCMI may send a referral letter in place of a copy of the 835V to the TPO, noting the specific deficiencies for the TPO to manage/clear. **Open issue.**

- g. Are TPOs seeing ITVs carrying fuel for transfer? How are they managing the issue?

ITOW and Sabine noted that they have a number of customers transferring fuel – to both barges and facilities. ITOW also stated for those customers conducting these transfers, they ensure their fuel transfer procedures cover the same.

CG Posture: Vessel appurtenances involved in fuel transfer may need to meet 46 Subchapter D, while those with a capacity to transfer greater than 250 barrels (10,500 gallons) may need to meet 33 CFR 155. **Open issue.**

- h. Although not a requirement, if tracking, what % of TPO clients are certificated? How many single vessel owners do you represent – how many have COIs?

TVIB noted their clients are around 26% for COIs, while they have approximately six single vessel companies, only a few of which have COIs. Sabine noted their fleet is around 38%, and they have nine single vessel companies, with no COIs issued to them.

- i. How are annual external surveys going?

Sabine stated going as expected and nothing unusual with scheduling, and also asked about the CG's posture regarding the timeline to complete internal surveys. *CG Answer to Sabine:* The topic is still in deliberation. CG asked TPOs their percentage of internal vs external survey clients as well as whether they complete as a single or continuous event. TPOs response: TVIB (99% internal), Sabine (60% internal), and Meridian also noted that all of the internal surveys conducted by their clients are completed as a single event.

- j. General TPO feedback/concerns/Poll Everywhere.

(1) Are dedicated Dredge Tenders going to be Sub-M or Sub-C?

CG Answer: The basic answer is if the vessel is 26ft or greater, or is pushing, pulling, or hauling alongside a red flag barge then Sub M applies, while, if less than 26ft, Sub C applies. There are a number of potential factors not mentioned in this question which could lead to worksite/workboat or LGA and excepted vessel considerations.

(2) Is it permissible to commence survey in one port and complete in another, similar to Class surveys? We do not see anything in Subchapter M prohibiting such practice. We recently commenced a Sub M survey in Canada and vessel departed before survey was completed and now owner wants to complete survey in Seattle. Surveyor in Canada has communicated what items were completed there and which outstanding items remain to be surveyed. Thank you for your guidance.

CG Answer: FR page 40027, center column, third paragraph states the following: "...§137.205 external survey program calls for one event, an annual survey, and not successive surveys to survey the items described in §137.220." Also, CG-CVC Policy Letter 17-04 (Ch-1) - TPO Guidebook (pg 8), under "External Survey Program", states the following: "It is intended that annual surveys under the external survey program take place as one event and will address all of the items described in §137.220".

(3) USCG in New Orleans wrote an 835 on an inland towing vessel that had bulwarks around the periphery of the vessel that are less than 39.5 inches. That height requirement is from SOLAS and Subchapter T, which are not applicable to inland towing vessels. (TPO) is now getting blamed for writing this up during surveys and we do not

plan on continuing to write this up without written instruction from USCG to do so. We cannot write this up without a proper CFR reference. We believe these bulwarks installed meet 46 CFR 144.800(a) requirements.

CG Answer: 46 CFR 144.800(b) states, “In areas where space limitations make deck rails impractical, such as narrow catwalks in way of deckhouse sides, hand grabs may be substituted”; while 46 CFR 140.430(a) states that “personnel dispatched from the vessel or that are working in an area without rails and guards must wear a lifejacket meeting requirements in 46 CFR 141.340, an immersion suit meeting requirements in 141.350, or a work vest approved by the Commandant under 160.053”. If TPO finds the existing condition/operation unsafe, they should document the issue, and the company may dispute the same via the appeal’s process.

(4) At the Sub M Oversight workshop in Houston on September 4-5, it was stated that the presentations and answers to questions submitted over Poll Everywhere would be distributed to participants. To date, the TPOs have not received any indication of where we may access those presentations and answers. What date could we expect access to the presentations and answers?

CG Answer: We are still working through the more than 200 questions posed, so please let us know if you (TPOs) have specific questions.

(5) Is written guidance coming out about opening voids for topside Survey?

Sabine asked whether CG plans to provide written guidance regarding annual surveys, specifically whether it’s required for TPOs to access voids and inspect those spaces during annuals. ABS noted that it is known that water is in the voids for towing vessel on the rivers, and what action is expected to be taken by the TPO when discovered. TVIB also noted the importance from a company perspective of having the specific requirement to open voids in writing from the CG.

CG Answer: No (additional) guidance will be sent regarding opening voids. Voids shall be opened to evaluate both the integrity of the hatch/gasket as well as the condition of the void during an annual exam - evaluated from the topside. Scope of survey specifically includes examination of the aforementioned in 46 CFR 137.220(b)(1) which states “All accessible parts of the exterior and interior of the hull, the watertight bulkheads, and the weather decks”; and, (2) “All watertight closures in the hull, decks, and bulkheads, including through hull fittings and sea valves.” Although the company is primarily responsible for identification and documentation of any deficient areas on their vessel(s), (for TSMS Option vessels) the TPO has a responsibility to identify/document the same through survey or survey oversight. Upon identification, the TPO should work with the company and OCMI to devise a plan to ensure the safety of the vessel and/or fleet of vessels. Ignoring the issue is not an option for company or TPO, and, if determination is made that a company has ignored the deficient condition, the TPO and/or CG should take action, while, if a TPO has ignored, a Quality Case should ensue.

- V. Adjournment: The meeting was adjourned at 1:06 P.M. CST by CDR Andrew Bender.
Minutes approved by: Andrew Bender, CDR