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## **Subchapter M: Your Options and MiNO's Services**

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### **Background**

After more than a decade of regulatory development informed by an open dialogue with the marine industry, the U.S. Coast Guard has issued rules for the inspection of towing vessels under 46 CFR Subchapter M. The new regulations, which came into effect on June 20th 2016, establish safety regulations governing the inspection, seaworthiness, and safety management for towing vessels 26 feet or more in length. The new rules include minimum standards for the design, construction, record keeping, electrical and machinery requirements of new and existing U.S towing vessels. The rules also address safety and operations standards for vessel and onshore personnel, the use and approval of third-party auditors and surveyors, and procedures for obtaining Certificates of Inspection (COI).

### **Vessel Compliance – the path to a COI**

All vessels subject to the Subchapter M rules must obtain a COI. The process of obtaining a COI begins with an application for inspection, and is followed by submittals of drawings, technical reports, and other evidence to show that a vessel is in compliance with applicable regulations. Existing vessels which are classed or built to class with ABS or other recognized classification societies are considered to be in compliance with Subchapter M requirements. Finally, the vessel will be physically inspected to verify compliance.

The Subchapter M rules offer towing vessel operators two options for obtaining a COI. The rules also includes the flexibility to use a combination of both options for operators with more than one vessel. Deciding which option is most suitable for your specific operation can be made on a vessel-by-vessel basis and can be changed over time. The two options available are a Towing Safety Management System (TSMS) or Coast Guard Annual Inspection.

Regardless of the compliance option you chose, the burden of demonstrating compliance with Subchapter M requirements is not insignificant. With years of engineering and regulatory experience in the marine industry, MiNO Marine can help you navigate the challenges of your Subchapter M compliance effort.

### ***Towing Safety Management System Options (TSMS)***

Towing vessel companies may elect to create a Towing Safety Management System that meets all Coast Guard requirements and is approved by the USCG or a Third Party

Organization (TPO<sup>1</sup>). Towing vessels which will be inspected under this option must obtain a TSMS certificate six months before obtaining a COI. The TSMS option will provide reasonable autonomy to individual operators to run their own inspection program with minimal oversight from the USCG, but with additional periodic mandatory internal and external audits. However, the Coast Guard still reserves the right to board and inspect vessels covered by a TSMS at will. The TSMS option also allows for several different methods of defining a safety protocol as well as the method by which you audit management and vessel performance against these standards. The TSMS option may be advantageous to some companies, as it promotes continuous compliance and provides greater flexibility in scheduling TPO inspections/surveys.

### ***Coast Guard Inspection Options***

Towing companies that choose not to implement a TSMS must go with the Coast Guard annual inspection option. In some situations, the annual inspection option may be the most cost effective, as there is less paperwork to maintain. A Coast Guard inspector will review if a towing vessel is being operated safely and is in compliance with the new Subchapter M requirements. Towing vessels that choose this option must undergo annual Coast Guard inspection.

### **Compliance Preparation**

Every organization and every vessel will have a unique approach to complying with Subchapter M, and for whatever option you decide, MiNO Marine is well positioned to assist you during your path to compliance. Regardless of the compliance option you intend to use, all operators should immediately undertake the following actions:

- Determine which compliance option you will use
- Require all applicable personnel to read the regulation or provide employees with a simplified opportunity to learn the most pertinent changes (a presentation given by a topical expert)
- Pull your vessels out of the water and get them inspected (coordinate with a currently scheduled inspection or try to simultaneously fulfill the Subchapter M structural inspection/dry docking requirements)
- Perform a gap analysis of your vessels and produce a comprehensive worklist (equipment, seaworthiness, training, SMS, recordkeeping – deficiencies etc.)
- Develop a Health & Safety plan
- Develop a comprehensive system of record keeping (onboard and ashore)
- Develop a safety management system
- Develop a training matrix (drills, equipment usage, underway procedure etc.)

The Coast Guard has recognized that review and issuance of COIs for 5000+ vessels will take several years. Therefore, with respect to the requirement for all towing vessels to be issued COIs, the regulations mandate that operators with more than one vessel phase-in at

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<sup>1</sup> Note that recognized Classification Societies such as ABS can perform compliance work on behalf of the USCG as a TPO.

least 25% of their fleet each year for four years. However, be advised that all vessels, regardless of phase-in date, must be in compliance with Subchapter M on or before **July 20<sup>th</sup>, 2018**, unless the a COI has been issued prior to this date.

We urge all operators to begin the process of bringing vessels into compliance as quickly as possible in order to avoid the last-minute rush when resources including professional engineers (PEs), surveyors, and dry docks are expected to be scarce. Bringing a single vessel or an entire fleet into compliance can be very time-consuming, however with early preparation and proper management a smooth transition can be achieved, allowing businesses to continue existing vessel operations with minimal interruption.

## **Compliance Support**

We understand that Subchapter M compliance can become an unwanted burden with significant financial and logistics costs. However, if done with the assistance of seasoned maritime professionals who have extensive knowledge of the intricacies of Subchapter M compliance, the process can be integrated seamlessly into day-to-day vessel operations.

MiNO Marine offer a portfolio of solutions and services that are tailored to suit each vessel operator's Subchapter M needs. We can provide these services during all phases of compliance support including plan review, construction, major modifications, and throughout the life of the vessel.

Our Subchapter M goals include offering our clients the following:

- robust and realistic compliance recommendations
- services and solutions that minimize operator expense
- compliance support that does not interrupt normal operations

## ***Services***

Some of the specific services MiNO can provide for Subchapter M compliance include the following:

### **Engineering**

- Regulatory Compliance Surveys / Gap Analysis, Consultation and Project Planning
- New Vessel Design
- Engineering Analysis (stability, structural etc.)
- Professional Engineer Plan Review and Approval

### **Field Support**

- Dry Dock Inspection
- Vessel Surveys (structure, mechanical, etc)

### **Logistics Support**

- Subchapter M Information Presentations
- Subchapter M Training
- Safety Management Workbook/Plans Development
- Subchapter M Towing Vessel Records Development
- Major Conversion Support
- TSMS Development and Implementation
- Software Tool Development (recordkeeping, training etc.)

### **About Us**

MiNO is an experienced, full-service, Louisiana-based Naval Architecture and Marine Engineering firm. Our team of engineers and marine professionals have been carefully monitoring Subchapter M developments since publication of the Notification of Proposed Rule Making in 2011, and we've fully reviewed the Final Rule. We are confident that we can provide you with the best tailored compliance recommendations to ensure you achieve compliance within an appropriate timeframe and without undue delays. Our close working relationship with Class Societies, USCG, and vessel operators have allowed us to understand what is most important to a vessel owner. Our experience in other sectors of the marine industry, as well as our close monitoring of the development of towing vessel rules, allows us to offer a comprehensive and cost-effective solution to Subchapter M Compliance.

Each organization and every vessel will have a unique approach to Subchapter M compliance, and we possess the talent, knowledge, and experience needed to develop a tailored, effective solution for any situation.

You can find out more about us by visiting our website at [www.minomarine.com](http://www.minomarine.com), or you can contact us directly for a proposal at 504-218-8162 or by e-mailing [chris@minomarine.com](mailto:chris@minomarine.com).