

REPUBLIC OF TRINIDAD AND TOBAGO MINISTRY OF ENERGY AND ENERGY INDUSTRIES

GUIDELINES FOR APPLYING FOR A PIPELINE LICENCE IN TRINIDAD AND TOBAGO



Head Office: Level 26, Tower C, International Waterfront Centre #1Wrightson Road, Port of Spain, Trinidad and Tobago Telephone: (868) 225-4EEI (4334), Facsimile: (868) 225-5746

Introduction

This guidance document details the licensing and approvals process required under the *Petroleum Act and Petroleum Regulations* Chapter 62:01 of the Laws of the Republic of Trinidad and Tobago, for the construction, installation, commissioning, operation and maintenance of pipelines in Trinidad and Tobago. This document is intended to assist applicants with their understanding of the application requirements, as well as the process of determining (grant or refusal) an application for a pipeline licence.

The Act and Regulations should be consulted in the first instance, as the binding legislative instrument encompassing the pipeline regulatory framework.

This document outlines the Ministry of Energy and Energy Industries (MEEI) requirements and provides an overview of the key milestones which must be achieved in order for an applicant to obtain all the approvals necessary to construct, install, commission, operate and maintain a pipeline. This guideline document includes:

- Information with regard to the licensing and approval process;
- Application requirements and estimated time frames for each stage of the application process;
- Consultation with other regulatory bodies;
- Reporting requirements prior to the commissioning of the pipeline;
- Reporting requirements during the construction of the pipeline;
- Information on the pipeline licence application fee and other related costs;
- Checklists and templates used by MEEI to review licence applications; and
- Reports submitted by applicants and licensees to the MEEI.

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WHAT IS A PIPELINE LICENCE?

In Trinidad and Tobago, activities involving the construction and operation of a pipeline as well as associated facilities are regulated by the Petroleum Act and the Petroleum Regulations, Chapter 62:01 of the Laws of the Republic of Trinidad and Tobago. Regulation of these activities fall within the remit of the MEEI.

A pipeline licence granted under the Act authorizes the holder of the Licence to construct, install, commission, operate and maintain the pipeline for conveyance of petroleum and petroleum products.

In accordance with Section 15(1) of the Petroleum Regulations, a pipeline licence is granted for a term of 20 years. Upon the request of the operator, the MEEI may renew the licence for successive periods, with each of those periods not exceeding 10 years.

WHO MUST APPLY FOR A PIPELINE LICENCE?

Under Section 6(1) of the Petroleum Act, any person who wishes to engage in petroleum operations on land or in a submarine area, must first obtain a licence as provided for in this Act. Consequently, any person desiring to construct a pipeline for the purpose of conveying petroleum or petroleum products or other substances must apply for a pipeline licence.

N.B. A "person" means any individual, cooperative, corporation, company, association, or partnership whether incorporated or unincorporated.

Regulation 10(1) provides that, in the event that the holder of an Exploration and Production or Refining Licence proposes to construct, install, commission, operate and maintain a pipeline beyond the area covered by the Exploration and Production or Refining Licence, a pipeline licence is required.

HOW DO I APPLY FOR A PIPELINE LICENCE?

An application for a Pipeline Licence shall be made in writing to the Minister and addressed to the Permanent Secretary of the Ministry of Energy and Energy Industries.

Attn: Permanent Secretary
Ministry of Energy and Energy Industries
International Waterfront Centre,
Level 26, Tower C,
#1 Wrightson Road,
Port of Spain,
Trinidad and Tobago

Tel.: (868) 225-4334

Fax: (868) 225-5773

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1. Overview of pipeline licensing and approval process

1.1. PROCESS OVERVIEW

The pipeline licensing and approval process is illustrated below in Figure 1.

1.2. KEY MILESTONES AND PROPOSED TIME FRAMES

The MEEI has established timelines to ensure the pipeline licensing and approval process is carried out in an expeditious manner (Table 1). It should be noted that the achievement of some milestones within the process are determined by the efficiency of the applicant.

Applicants should note that the information provided in this table can be changed, without notice, at any time by the MEEI and upon receipt of all the required documentation, the process for review and approval of a Pipeline Licence may range from 6 to 8 months.

Table 1 Pipeline licensing and approval time frames and responsibilities

Task	Approximate Time Frame	Responsibility
Applicant requests permission from the Permanent Secretary of the MEEI to carry out Topographical Survey	Determined by applicant	Applicant
MEEI grants permission/approval to carry out survey	21 days	MEEI
Applicant submits all required documentation for Pipeline Licence application to the MEEI	Determined by applicant	Applicant
MEEI reviews the Pipeline Licence application	10 – 12 weeks	MEEI
MEEI facilitates the publication of the notice of the Pipeline Licence application in the Trinidad and Tobago Gazette and one (1) newspaper circulating in T&T. The public is permitted thirty (30) days to lodge an objection with regard to the application.	30 days	MEEI
MEEI grants or denies Pipeline Licence	2-3 weeks	MEEI
Licensee submits further documents to the MEEI prior to the commissioning of pipeline.	Time frame enforced by Licence	Licensee
MEEI grants approval to commission pipeline.	2-3 weeks	MEEI

1.3. OTHER GOVERNMENTAL AGENCIES

The applicant may have additional statutory obligations with which he must comply. A list of governmental bodies that may need to be consulted during the application process is provided in Section 2.4 of this document. Applicants should note that the timelines stated in Table 1 above apply to the MEEI and do not include the timelines of other governmental agencies

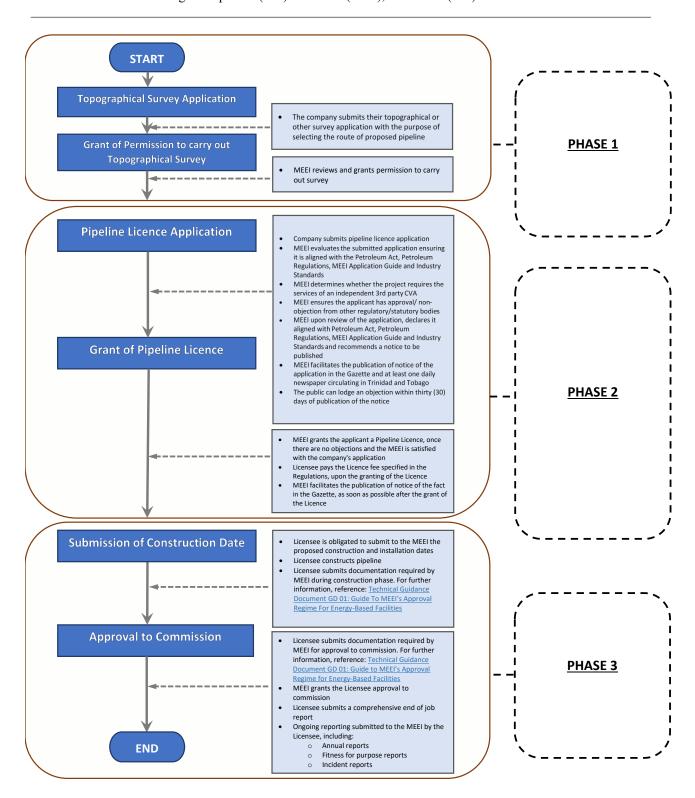


Figure 1 Overview of the pipeline licensing and approval process

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2. Detailed pipeline licensing and approval process

The following details the requirements by the MEEI for any person interested in applying for a Pipeline Licence and the procedure for processing these applications. All required documents are to be submitted, with a cover letter attached, in an envelope addressed as follows:

Attn: Permanent Secretary
Ministry of Energy and Energy Industries
International Waterfront Centre,
Level 26, Tower C,
#1 Wrightson Road,
Port of Spain,
Trinidad and Tobago

Please note that the MEEI will not consider the granting of a licence unless all requirements have been satisfied.

In accordance with Regulation (7) of the Petroleum Regulations, if a change occurs concerning any of the details contained in the application, before the application is granted or refused, the applicant should inform the MEEI of such change by letter addressed to the Permanent Secretary.

Applicants should note that the following information provided is not exhaustive and can be changed at any time, without notice, by the MEEI and the MEEI reserves the right to request further documentation or clarification on any component of the application at any time.

Phase 1 - Grant of Permission to carry out Topographical Survey

2.1 Topographical or Other Survey Application

In accordance with Regulation (12) of the Petroleum Regulations an application to the Minister, addressed to the PS, MEEI for permission to carry out a topographical survey or other survey with a view to selecting the route of the proposed pipeline should be submitted before the grant of a Pipeline Licence. This enables the applicant to determine the most appropriate route for the proposed pipeline.

An application for permission to carry out a topographical or other survey must contain specific information as detailed in the "Geophysical Survey Application Form" and must be submitted with a cover letter.

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Phase 2 - Grant of Pipeline Licence

2.2 Form of Application

An application for a pipeline licence must include specific information, as detailed in **Appendix A1** of this document. **Appendix A1** is to be used as a checklist to ensure the applicant has included all the required documentation when submitting their application.

In accordance with Regulation (6) of the Petroleum Regulations, the following items are required for submission of every application for a licence:

1. Company Business Documents –

- name of company;
- nationality of company;
- place of business;
- nature of business; and
- non-resident companies must establish an office within Trinidad and Tobago and include the residence of a duly authorized agent.

Additionally, all applicants must include the following company documents:

• Certificate of Incorporation / Certificate of Continuance / Certificate of Business Registration (from Registrar General's Office).

In accordance with the Companies Act, Chapter 81:01, no persons, entities or other groups may engage in any trade or business for gain in Trinidad and Tobago unless incorporated in accordance with the provisions of that Act through registration with the Registrar General or formed under some other written law.

Applicants must ensure that the name on the application exactly matches the name on the Incorporation / Continuance / Registration documents.

2. Evidence of the Applicant's Financial and Technical Capacity to Undertake the Operations

An applicant is required to submit a statement of the capital investment demonstrating the applicant's financial and technical competence for undertaking the application for a pipeline licence.

Suitable documentation of financial competence includes:

• a letter from a reputable financial institution indicating the applicant possesses the financial capacity to undertake the operations for which the licence is being sought (dated within the last six (6) months); or

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• audited financial statements for the past three (3) financial years.

Evidence which demonstrates the applicant's technical competence for the undertaking of the operation applied for may include:

• the professional qualifications of the applicant and/ or the proposed Project Manager.

3. Plan or Map

Section 6(i) of the Petroleum Regulations mandate that:

in relation to applications for a Pipeline Licence for the installation and operation of a new trunk pipeline, the route, the length, the diameter and other particulars (to be shown on a map) of the proposed pipeline, its boundary lines, the names of the owners of the land over which it would pass, the location of pumping and terminal stations and their capacities, the estimated cost of construction and such other information as may be necessary in order to make clear the purpose and the nature and specifications of the pipeline.

The map should show coordinates of the proposed start and end points of the proposed line, surrounding parcel(s) of land and the boundary lines; and any other details associated with the proposed location. The map is also used in the publication of the notice of the pipeline licence application in the Government Gazette and a daily newspaper circulating in Trinidad and Tobago.

4. <u>Technical Information</u>

An application for a pipeline licence shall include:

- the route;
- the length
- the diameter; and
- other details of the proposed pipeline;
- its boundary lines;
- the names of the owners of the land over which it would pass;
- the location of pumping and terminal stations and their capacities;
- the estimated cost of construction; and
- such other information as may be necessary to make clear the purpose and the nature and specifications of the pipeline.

The Technical Requirements Template, as used by the MEEI for assessment of pipeline licence applications is provided in Appendix A2. When submitting, the information in Appendix A2 should be included as a summary before the other documentation in the report.

The MEEI advises that Applicants submit all other supporting reports/documents that would substantiate the design of the pipeline. These must include, but are not limited to –

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- Wall Thickness Design Report
- Cathodic Protection Design Report
- Flow Assurance Analysis
- On-Bottom Stability Report

2.3 Engagement of Certified Verification Agent (CVA) Services –

If the MEEI deems that a specialist or expert opinion is required to assist the MEEI in achieving its verification objective(s), then the applicant will be instructed by the MEEI on the need to secure the services of a recognized, independent and competent entity (Certified Verification Agent, CVA).

Refer to the following on the MEEI's website for further information on the CVA process:

- <u>Technical Guidance Document GD 01: Guide To MEEI's Approval Regime For Energy-Based Facilities</u>
- <u>Technical Guidance Document GD 02: The Role of the Certified Verification Agent</u> (CVA) in The MEEI's Approval Regime
- Technical Guidance Document GD 04: Verification Scheme for Pipeline Systems
- List of Certified Verification Agents Approved for Use in Energy Based Projects

2.4 Other Relevant Regulatory Bodies and Governmental Agencies

The applicant may need to consult with various statutory bodies during a pipeline project and is solely responsible for obtaining all necessary regulatory approvals including.

- The Environmental Management Authority (EMA). The Certificate of Environmental Clearance (CEC) is obtained from the EMA whose purpose is to determine the environmental impact of a project and if necessary, request that an Environmental Impact Assessment ("EIA") be conducted before the certificate is granted.
- Town and Country Planning Division (TCPD) of the Ministry of Planning and Development
- Occupational Safety and Health Authority (OSHA)
- Maritime Services Division (MSD) of the Ministry of Works and Transport
- Trinidad and Tobago Fire Services (TTFS)
- Water and Sewerage Authority (WASA)
- Trinidad and Tobago Electricity Commission (T&TEC)
- Commissioner of State Lands (COSL) of the Ministry of Agriculture, Land and Fisheries (to be contacted if the applicant wishes to lay or connect a pipeline, in, along, across, over, or under any road, trace, waterway, railway or land vested in the State)
- Tobago House of Assembly (THA)

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Phase 3 - Approval to Commission

2.5 Obligations of the Licensee for Commissioning of the Pipeline

After the Grant of a Licence, the Licensee is obligated to then make further submissions to the Minister, addressed to the Permanent Secretary. These include but are not limited to:

- The date construction and installation will commence to be submitted on Effective Date of the Licence.
- Proof of insurance coverage for the pipelines and all related facilities to be submitted on Effective Date of the Licence.
- Letter requesting approval to commission approval from the MEEI is required prior to
 the commissioning of the pipeline. For further information, reference: <u>Technical</u>
 <u>Guidance Document GD 01: Guide to MEEI's Approval Regime For Energy-Based</u>
 <u>Facilities.</u>
 - Each pipeline may have its own specific requirements for approval to commission and hence would have to be treated on a case-by-case basis. The Licensee should always consult with the MEEI to ensure that they satisfy the information requirement for their specific pipeline project.
- An Emergency Response Plan to be submitted one (1) month before the commissioning of the pipeline.
- Final As-Built Alignment Sheets of the pipeline to be submitted one (1) month after the commissioning of the pipeline.
- A comprehensive "end of job report" which includes details of all works carried out during construction and commissioning of the pipeline to be submitted one (1) month after the commissioning of the pipeline.
- Decommissioning & Abandonment Plan to be submitted within six (6) months of the date of commencing operations.

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3 Associated Fees/ Payments

3.1 Application Fee

In accordance with Regulation (9) of the Petroleum Regulations the licence application fee is currently TT\$ 500.00 (per each pipeline licence application). Upon submission of the application, the fee is to be paid via cash or certified cheque, addressed to the Permanent Secretary of the MEEI, at the Accounts Department (Level 24, Tower C, International Waterfront Centre). Payments can be made between the hours of 8:00 am and 4:15 pm, Monday to Friday, except public holidays.

A copy of the receipt must be included with the application.

Regulation 9 further provides, that in the event that an application is refused, the Minister shall refund one-half of the fees paid to the applicant.

Note: Application fees for multiple applications can be consolidated onto one cheque.

3.2 Licence Fee

In accordance with Regulation (22) of the Petroleum Regulations upon the issue or renewal of a pipeline licence, the fee specified shall be based on the capacity of the pipeline as follows:

			Structure

Tier	Pipeline Capacity (MMCF/D)	Pipeline Licence Fee (TT\$)
1	Less than 2	5 000.00
2	Between 2 and 100	10 000.00
3	Greater than 100	40 000.00

Please note that the barrel of oil equivalent for the volumes outlined in the Table 2 above applies for liquid hydrocarbon lines.

The Licence fee is to be paid via cash or certified cheque addressed to the Permanent Secretary of the MEEI at the Accounts Department (Level 24, Tower C, International Waterfront Centre). Payments can be made between the hours of 8:00 am and 4:15 pm, Monday to Friday, except public holidays.

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Treasury Deposit Fee

In accordance with Regulation (78) of the Petroleum Regulations, the Licensee upon the grant of their Licence is required to deposit with the Treasury Division of the Ministry of Finance the sum of twenty thousand dollars (TT\$20,000.00).

Regulation 78(2) provides that this amount shall be maintained in full during Pipeline Operations until the MEEI issues a certificate to the effect that the Licensee has ceased to engage in Pipeline Operations and has completely satisfied their obligations under their Licence, at which point the deposit or any part thereof remaining at such date plus any interest that may have accumulated will be returned to the Licensee.

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Appendix: Checklists and Templates

Applicant should note the following checklists and templates are not exhaustive and can be changed at any time, without notice, by the MEEI.

Also note that the MEEI reserves the right to request further documentation or clarification on any component of the application at any time before the determination of the application.

A1 Pipeline Licence Application Checklist

All required information to accompany an application should be included when submitting their application. The application must include, but is not limited to, the following particulars of the Petroleum Regulations as well as information deemed necessary by the MEEI:

[FOR OFFICIAL USE ONLY]

Company	
Date Received	

[FOR APPLICANT USE]

No.	Requirement	Have Information (Y/N)
	An application for a licence under the Petroleum Act must be:	
1.	Made in writing to the Minister and addressed to the Permanent Secretary.	
2.	Signed or executed by the applicant.	
	Include or be accompanied by:	
3.	The full name, place of business, nature of business of the applicant.	
4.	Type of licence for which the application is made $-$ i.e. clearly state your application is for a pipeline licence.	
5.	Evidence of Articles of Company Incorporation.	
6.	The name, telephone number and email address of a representative who can be contacted about the application.	
7.	Detailed description of any changes to existing facilities/equipment.	
8.	A description of the site or project to which the application relates; situation, boundaries and area of the parcel of land, illustrated by a plan or map. The map should also highlight major landmarks, roadways and other identifiable markings to ensure general comprehension of the planned route (Location Map).	
9.	A Pipeline Route Map using WGS84 coordinates.	
10.	A description of the operation intended to be carried out, including the methods to be used during operation.	

11.	Evidence that demonstrates the applicant's financial competence for the undertaking of the operation applied for. e.g. A letter from a reputable financial institution indicating the applicant possesses the financial capacity to undertake the operations for which the licence is being sought (dated within the last six (6) months), or audited financial statements (for the past three (3) financial years).	
12.	Evidence that demonstrates the applicant's technical competence for the undertaking of the operation applied for. Such evidence may include information required in Appendix A2 – Technical Requirements Template	
13.	The proposed design and construction of the pipeline including all technical details of the proposed pipeline (including diameter, wall thickness, length, design pressure and design flow rate etc.). See Appendix A2 -Technical Requirements Template for more detail.	
14.	Estimated Cost of Construction of pipeline.	
15.	Proposed construction schedule.	
16.	Owners of land / Owner and Licensee of acreage over which pipeline will pass.	
17.	Crossing Agreements (pipeline and lease) - with all landowners/leaseholders affected by the construction, commissioning, operations and maintenance of the pipeline.	
18.	Piping & Instrumentation Diagram and Safety Schematic.	
19.	Proposed Alignment Sheets.	
20.	Plan and Profile Layout.	
21.	Way Leave Requirement is met (See MEEI Guidelines for Setback Distances to Natural Gas Pipelines).	
22.	Hydrotesting Information Requirements for the processing for a Hydrotest Discharge Permit (See MEEI Requirements for Pipeline Hydrotest Discharge Permit)	
23.	Provision of a Certification Verification Agent (CVA) approved by the MEEI.	
24.	Consultation with or approval from various statutory bodies (See list in Section 2.4).	
25.	List of Codes or Standards.	
26.	Project Execution Plan.	
27.	Application fee paid prior to submission of application. Copy of receipt included in submission.	

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A2 Pipeline Licence Application Technical Requirements Template

Appendix A2 must be included as a summary before the other documentation in the application.

The MEEI advises that Applicants submit all other supporting reports/documents that would substantiate the design of the pipeline. These must include, but are not limited to –

- Wall Thickness Design Report
- Cathodic Protection Design Report
- Flow Assurance Analysis
- On-Bottom Stability Report

[FOR OFFICIAL USE ONLY]

Company	
Date Received	

[FOR APPLICANT USE]

Pipeline Licence Technical Requirements Template		
Requirements	Comments	
Section A - Description of Pipeline		
Line Route Description (in words)		
Section B - General Pipeline Data (S.I. Units)		
Size (Pipe O.D.)		
Overall Length		
Grade		
Design Life		
Section C – Detailed Pipeline Data		
Pipeline Segment Length	Segment -	
Tipeline Segment Length	Length -	
Water Depth		
Burial Depth		
Wall Thickness		
Spacing between Pipelines		
Bare Weight		
Pipeline weight (with coating)		
Air weight:		
Empty -		
Flooded -		

Submerged weight:	
Empty -	
Flooded -	
Weight Coating:	
Concrete thickness -	
Concrete density -	
Specific Gravity of Weight Coated Pipe	
Section D - Riser & Bends Pipeline Information	I
Riser and Bend Data	Wall thickness - Weight coating – concrete thickness /density Upper Termination – Lower Termination – Specific Gravity of Pipe – Bend Radius (Riser and Tie-in-Spools) -
Length of Riser below the Splash Zone	,
Length of Riser in the Splash Zone	
Length of Riser above the Splash Zone	
Section E – Description of Cathodic Protection System	
Pipeline Sacrificial Anode S	ystem
Type of anode	
Anode Material	
Spacing interval	
Number of anodes	
Minimum required weight of unit anode/ Pipeline anode weight	
Consumption rate/ Average anode wastage rate	
Life expectancy/ Anode Design Life	
Riser Sacrificial Anode Sys	stem
Number of anodes	
Anode weight	
Section F - Water Depth (WGS84 coordinates)	
Minimum water depth and coordinates	
Maximum water depth and coordinates	
Section G - Burial Depth (WGS84 coordinates)	
Minimum burial depth and coordinates	
Maximum burial depth and coordinates	
Section H - Description of External Protection Measures	
Protection Coating	
Protection Type	
Protection Thickness	

Approximate length of protection	
Corrosion Allowance	
Section I - Sand Production	
Is sand production expected?	
Section J - Description of Internal Protection Measures	
Internal Coating	
Corrosion Inhibitor Program	
Pigging Requirements (routine and intelligent)	
Corrosion Allowance	
Section K - Method of Fabrication (Details)	
Section L - Specific Gravity of the Empty Pipe based on seawater	
Formula used and Code	
List density of materials	
Specific Gravity	
Section M – Design Capacity	
Design Flow Rate	•
Section N – Fluid(s) for Transmission	
Section O – Fluid(s) Data	
Flowing Temperature	
Viscosity	
Density	
Specific Gravity	
Section P - Pressure Data Based on (Code, Safety, Standards etc.)	
Design Pressure	
Max Allowable Operating Pressure	
Operating Pressure	
Hydrostatic Test Pressure	
Hydrostatic Test Medium	
Hydrostatic Test Period	
Section Q - Construction Information	
a) Anticipated Starting Date	
b) Method of burial	
c) Method of construction	
d) Welding requirements	
e) Major contractors	
f) Marine vessels	
g) Time required to lay pipe and testing	

h) Time required to complete the project	
i) Any other information	
Section R - Crossing of pipelines	
Type of protection to be afforded	
Location of crossing (WGS84 coordinates)	
Section S - The company person to contact for information on	technical points