Maritime Casualty Response: PCC HOEGH XIAMEN
Jacksonville, FL (June to August, 2020)
Peter Robinson, MICS (Senior Commercial Manager)
PRESENTATION

AGENDA

- Introduction to Salvage
- Stakeholders & Contracts
- HOEGH XIAMEN Case Study
INTRODUCTION TO SALVAGE
INTRODUCTION TO SALVAGE

MARITIME HISTORY

Figure 1.1
The Westline: 5,000 years of maritime trading centres
Source: Stopford (1988)
INTRODUCTION TO SALVAGE

WHAT IS SALVAGE?

Salvage operation means any act or activity undertaken to assist a vessel or any other property in danger in navigable waters or in any other waters whatsoever.

a. Vessel means any ship or craft, or any structure capable of navigation.
b. Property means any property not permanently and intentionally attached to the shoreline and includes freight at risk.
c. Damage to the environment means substantial physical damage to human health or marine life or resources in coastal or inland waters or areas adjacent thereto, caused by pollution, contamination, fire, explosion, or similar major incidents.

International Convention on Salvage, 1989

Right PCC HOEGH XIAMEN Salvage and Marine Firefighting Operation – Jacksonville, Florida, USA
INTRODUCTION TO SALVAGE

PRINCIPLES OF SALVAGE

a. Vessel or property exposed to peril or hazard of the sea
b. Services must be voluntary
c. Useful outcome – efforts, in whole or in part, contributed to saving of property, in whole or in part

Right MV SOLOMON TRADER Aground – Solomon Island
INTRODUCTION TO SALVAGE

DUTIES OF THE SALVOR AND OWNER

The salvor shall owe a duty to the owner of the vessel or other property in danger:

- carry out the salvage operation with due care
- exercise due care to prevent or minimize damage to the environment
- whenever circumstances reasonably require, to seek assistance from other salvors

The owner and master of the vessel or other property in danger shall owe a duty to the salvor:

- to cooperate fully with the salvor during the course of the salvage operations
- exercise due care to prevent or minimize damage to the environment
- to accept the vessel and/or property when reasonable requested by the salvor to do so at the place of safety

International Convention on Salvage, 1989
INTRODUCTION TO SALVAGE

OPA 90 SMFF / VRP

Vessel Response Plan

a. List Salvage and Marine Fire Fighting Provider
b. Funding Agreement
c. Activating a VRP
d. Timeframe Requirements
## INTRODUCTION TO SALVAGE

### SMFF Coverage Requirements

<table>
<thead>
<tr>
<th>Service</th>
<th>Location of incident response activity timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Salvage</td>
<td>CONUS: nearshore area; inland waters; Great Lakes; and OCONUS: &lt; or = 12 miles from COTP city (hours)</td>
</tr>
<tr>
<td>(i) Assessment &amp; Survey:</td>
<td></td>
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<tr>
<td>(A) Remote assessment and consultation</td>
<td>1</td>
</tr>
<tr>
<td>(B) Begin assessment of structural stability</td>
<td>3</td>
</tr>
<tr>
<td>(C) On-site salvage assessment</td>
<td>6</td>
</tr>
<tr>
<td>(D) Assessment of structural stability</td>
<td>12</td>
</tr>
<tr>
<td>(E) Hull and bottom survey</td>
<td>12</td>
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<tr>
<td>(ii) Stabilization:</td>
<td></td>
</tr>
<tr>
<td>(A) Emergency towing</td>
<td>12</td>
</tr>
<tr>
<td>(B) Salvage plan</td>
<td>16</td>
</tr>
<tr>
<td>(C) External emergency transfer operations</td>
<td>18</td>
</tr>
<tr>
<td>(D) Emergency lightering</td>
<td>18</td>
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<tr>
<td>(E) Other refloating methods</td>
<td>18</td>
</tr>
<tr>
<td>(F) Making temporary repairs</td>
<td>18</td>
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<tr>
<td>(G) Diving services support</td>
<td>18</td>
</tr>
<tr>
<td>(iii) Specialized Salvage Operations:</td>
<td></td>
</tr>
<tr>
<td>(A) Special salvage operations plan</td>
<td>18</td>
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<tr>
<td>(B) Subsurface product removal</td>
<td>72</td>
</tr>
<tr>
<td>(C) Heavy lift</td>
<td>Estimated</td>
</tr>
<tr>
<td>(2) Marine firefighting</td>
<td>At pier (hours)</td>
</tr>
<tr>
<td>(i) Assessment &amp; Planning:</td>
<td></td>
</tr>
<tr>
<td>(A) Remote assessment and consultation</td>
<td>1</td>
</tr>
<tr>
<td>(B) On-site fire assessment</td>
<td>2</td>
</tr>
<tr>
<td>(ii) Fire Suppression:</td>
<td></td>
</tr>
<tr>
<td>(A) External firefighting teams</td>
<td>4</td>
</tr>
<tr>
<td>(B) External vessel firefighting systems</td>
<td>4</td>
</tr>
</tbody>
</table>
STAKEHOLDERS AND TYPES OF CONTRACTS
FURTHER CONSIDERATIONS

STAKEHOLDERS

Regulators:
• Government / Incident Commander – Coast Guard, Harbor Master, Environmental Authority, Port State Control, etc.

Shipowner / Property Owner:
• Responsible Party, Qualify Individual, Shipowner, Technical Manager, Charterer, Cargo Owner, etc.

Underwriters – Funding:
• Hull and Machinery (Salvage)
• Protection & Indemnity (Liability – Wreck Removal, Pollution, Oil Removal)

Contractors:
• Salvor, Oil Spill Response Organization, Spill Management Team, Various Consultants

Public Interests:
• Media, Special Interests Groups, Local Industry, Citizens, etc.
FURTHER CONSIDERATIONS

TYPES OF CONTRACTS

Salvage / Emergency Response (Dry Salvage)

a. Lloyds Open Form 2020
b. US Form - MarSalv
c. Turkish Form
d. German Form
e. Japanese Form
f. Common Law

Wreck Removal (Wet Salvage) / Marine Services / Etc.

a. BIMCO WRECKHIRE 2010 – day rate
b. BIMCO WRECKSTAGE 2010 – lumpsum stage payments
c. BIMCO WRECKFIXED 2010 – lumpsum no cure no pay
d. BIMCO TOWHIRE 2008 – day rate towage
e. BIMCO TOWCON 2008 – lumpsum towage
PCC HOEGH XIAMEN – CASE STUDY
HOEGH XIAMEN – CASE STUDY

FIRE CASUALTY

Initial Timeline

• June 04, 2020 at 1630 hrs: JFRD notified fire onboard HOEGH XIAMEN

• June 04, 2020 at 1759 hrs: Resolve notified via Qualified Individual of Casualty

• June 04, 2020 at 1830 hrs: Resolve Salvage Master mobilized to Casualty

• June 04, 2020 at 1854 hrs: Resolve Fire Fighting Assessment Team onsite

• June 05, 2020 at 0100 hrs: Salvage Master arrived onsite
HOEGH XIAMEN – CASE STUDY

CONTRACTING

- OPA 90 SMFF Client
- Mobilized under terms of the Funding Agreement
- Agreed Lloyds Open Form, 2020 SCOPIC Incorporated
- FIFI Equipment mobilized from Jacksonville, Fort Lauderdale, Theodore, Houston, New Orleans, Charleston,
- Chartered FIFI tugs ex Jacksonville
- Chartered fuel recovery barge ex New York
- Air Charter ex Houston

HOEGH XIAMEN External Boundary Cooling
Lloyd’s Open Form 2020
Fit for purpose contract
• Simplicity
• Alignment / Engagement of stakeholders (Owner, H&M, P&I, Cargo

OPA90 Funding Agreement sets framework for various forms of contract
Vessel and / or cargo is in imminent danger
• Fire
• Explosion
• Sinking
• Substantial threat to the environment
HOEGH XIAMEN – CASE STUDY

CASUALTY RESPONSE OPERATIONS

Casualty Response Operations
• 40+ Persons engaged onsite
• 24 hours operations (2 shifts per day)
• Relieve JFRD on site FIFI operations
• Firefighting and boundary cooling using FIFI tugs and portable FIFI systems
• Monitor and maintain Vessel's stability
• Environmental / Air Quality monitor
• Prepare heavy weather mooring (Hurricane Season)
• Cargo Removal (2,420 used motor vehicles)
• Fuel Removal (1,500 mt of heavy fuel oil)
• COVID-19 considerations
HOEGH XIAMEN – CASE STUDY

BOUNDARY COOLING

• Boundary Cooling with 5,500 GPM portable FIFI Pumps above
• Boundary cooling with JFRD ladder truck
Firefighters from the salvage team investigating hot spots shortly after boarding vessel

Drone fitted with infrared thermal camera
HOEGH XIAMEN – CASE STUDY

TRANSITION OF CONTRACTS

Vessel declared "safe for entry" on June 25, 2020

Transition to a commercial contract with daily hire terms – BIMCO WRECKHIRE 2010, suitably amended

• Cargo Removal
• Preparation for delivery tow to Turkey
• Caretaking
Salvors installed lighting and ventilation system for safe onboard operations

Burnt cargo on Car Decks
HOEGH XIAMEN – CASE STUDY

STRUCTURAL DAMAGE
HOEGH XIAMEN – CASE STUDY
CARGO REMOVAL
HOW CAN WE HELP?

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