

**CALIFORNIA CODE OF REGULATIONS  
TITLE 14. NATURAL RESOURCES  
DIVISION 1. FISH AND GAME COMMISSION - DEPARTMENT OF FISH & GAME  
SUBDIVISION 4. OFFICE OF SPILL PREVENTION AND RESPONSE  
CHAPTER 2. FINANCIAL RESPONSIBILITY**

**§ 791.7. Procedures for Application for California Certificate of Financial Responsibility.**

(a) The following application forms shall be used to obtain a certificate:

(1) Application for Certificate of Financial Responsibility for Operators or Owners of Tank Vessels, form DFW 1925 (8/14). Vessels carrying oil as secondary cargo shall use DFW 1925 to obtain a certificate of financial responsibility.

(2) Application for Certificate of Financial Responsibility for ~~Operators or Owners or~~ Operators of Nontank Vessels, form DFW 1972 (8/14 Rev. 07/21).

(3) Application for Certificate of Financial Responsibility for Marine Facilities, form DFW 1924 (8/14).

(4) Application for Certificate of Financial Responsibility for Owners of Oil, form DFW 1947 (8/14).

(5) Application for Certificate of Financial Responsibility for Mobile Transfer Units, form DFW 1946 (8/14).

(6) Application for Certificate of Financial Responsibility for Inland Facilities, form DFW 1932 (NEW 06/21/17).

(b) These forms shall collectively be referred to as applications and are incorporated by reference herein.

(1) The application forms may be ~~obtained directly from the Administrator or found on~~ the website of the Office of Spill Prevention and Response, and, upon completion, submitted to the following:

Courier Service:

~~DEPARTMENT OF FISH AND WILDLIFE~~ Department of Fish and Wildlife  
~~OFFICE OF SPILL PREVENTION AND RESPONSE~~ Office of Spill Prevention and Response (OSPR)  
~~1700 K STREET, SUITE 250~~ 1010 Riverside Parkway  
~~SACRAMENTO, CA 95811~~ West Sacramento, CA 95605  
<https://www.wildlife.ca.gov/OSPR>

U.S. Mail:

Department of Fish and Wildlife  
Office of Spill Prevention and Response

Post Office Box 944209  
Sacramento, CA 94244-2090

*E-mail contacts:*

For facilities - CaCOFRcacofr-Ffacilities@Wwildlife.ca.gov

For tank vessels or vessels with oil as cargo - CaCOFRcacofr-Ttank@Wwildlife.ca.gov

For nontank vessels - CaCOFRcaofr-Nnontank@Wwildlife.ca.gov

(c) General Application Content and Procedures.

(1) All applications and supporting documents shall be prepared in English and all monetary terms shall be in U.S. currency.

(2) All spaces on the application shall be completed with either the requested information or the phrase "Not applicable."

(3) All applications shall be signed by an authorized representative of the owner or operator applicant, whose title shall be indicated in the space provided on the application.

(4) If the application is submitted by an agent on behalf of the owner or operator (e.g. a consultant), the Administrator may request a written delegation of authority authorizing the agent to submit the application on behalf of the owner or operator.

(5) Each applicant shall provide the name, address, telephone number and e-mail of an agent for service of process designated to receive legal documents on behalf of the applicant. The agent shall be located in California. If the applicant contracts for this service, the Administrator may request documentation that the agent for service of process acknowledges this capacity.

(6) An owner or operator of a nontank vessel shall submit a nonrefundable fee for each nontank vessel with each new or renewal application. The fee is ~~as set by section 870.17 of this subdivision. Processing charges~~ The owner or operator shall not be deducted any processing charges from the fee. The fee is due with each nontank vessel application renewal. The fee amounts are as follows:

(A) For a nontank vessel that has a carrying capacity of over 6,500 barrels of oil fuel, or a carrying capacity of over 7,500 barrels of oil fuel if the vessel is owned and operated by California or a federal agency, a fee of ~~\$3,250~~ \$3,750 per vessel, or;

(B) For a nontank vessel that has a carrying capacity greater than 500 barrels of oil fuel but less than or equal to 6,500 barrels of oil fuel, or a carrying capacity greater than 500 barrels of oil fuel but less than or equal to 7,500 barrels of oil fuel if owned and operated by California or a federal agency, a fee of ~~\$1,950~~ \$2,250 per vessel, or;

(C) For a nontank vessel that has a carrying capacity of 500 barrels of oil fuel or less, a fee of ~~\$650~~ \$750 per vessel.

(7) If, prior to certificate issuance, an applicant becomes aware of a material change in any of the facts contained in the application or supporting documents, the applicant

shall, within seven calendar days of becoming aware of any change, notify the Administrator in writing of the change.

(d) For new or renewal applications for vessels only, any evidence submitted to demonstrate financial responsibility, and any applicable nontank vessel fees, shall be received by the Office of Spill Prevention and Response at least 10 calendar days prior to operating where a spill may impact waters of the state. After expiration of any of the methods of evidence used to demonstrate financial responsibility, documentation of the financial responsibility renewal shall be provided at least 10 calendar days before operating where a spill may impact waters of the state.

(e)(1) Applications and evidence of financial responsibility submitted by applicants will be reviewed within 30 calendar days of receipt by the Office of Spill Prevention and Response. Certificates will be issued within that period provided that the following has been received: (1) adequate information was furnished in the application, (2) acceptable evidence of financial responsibility, and (3) receipt of the nontank vessel fee if applicable.

(2) If the information contained in the application, evidence of financial responsibility, or any supplemental information provided is insufficient, the Administrator shall notify the applicant of the nature of the insufficiency, and the applicant shall then have 30 calendar days from the date of notification to provide the missing information or additional evidence.

(3) Certificates will be issued within 15 calendar days of receipt of sufficient additional evidence or supplemental information. In the event that acceptable evidence or adequate information is not received, the Administrator may deny the application by providing written notice specifying the reasons for the denial.

(f) Each certificate issued by the Administrator shall be valid for two years except for the following:

(1) The Administrator may issue a certificate for a facility for a period of no longer than three years if the Administrator finds that:

(A) Continued operation is necessary to finance abandonment of the facility; and

(B) The financial resources the applicant is able to demonstrate are reasonably sufficient to cover any spill-related damages from the facility.

(2) A certificate for a mobile transfer unit shall be valid for one year.

(g) Financial Responsibility Amounts for Tankers, Nontank Vessels, Large Tank Barges, and Owners of Oil.

(1) The amounts of financial responsibility that must be demonstrated are as follows:

(A) Owners or operators of tankers, large tank barges, or owners of, or persons accepting responsibility for the oil, shall demonstrate their current financial ability to pay at least \$1 billion (\$1,000,000,000).

(B) Except as provided in (C) of this section below, owners or operators of nontank vessels shall demonstrate their current financial ability to pay at least \$300 million (\$300,000,000).

~~1. Certificates of financial responsibility are not required for non-self propelled nontank vessels that do not carry any oil.~~

(C) Owners or operators of nontank vessels that have a carrying capacity of 6,500 barrels of ~~oil~~ fuel or less, or a carrying capacity of 7,500 barrels of ~~oil~~ fuel or less for nontank vessels owned and operated by California or a federal agency, shall demonstrate their current financial ability to pay the following amount of financial responsibility:

1. \$2 million (\$2,000,000) for those that have a carrying capacity from less than 1 to not more than 10 barrels;

2. \$5 million (\$5,000,000) for those that have a carrying capacity greater than 10 to not more than 50 barrels;

3. \$10 million (\$10,000,000) for those that have a carrying capacity greater than 50 to not more than 500 barrels;

4. \$18.9 million (\$18,900,000) for those that have a carrying capacity greater than 500 to not more than 1,000 barrels.

5. For nontank vessels that have a carrying capacity greater than 1,000 barrels of fuel to a carrying capacity of not more than 6,500 barrels of fuel, or 7,500 barrels of fuel for nontank vessels owned and operated by California or a federal agency, the amount of financial responsibility shall be calculated as follows: subtract 1,000 barrels from the total carrying capacity of ~~oil~~ fuel of the nontank vessel; multiply this amount by \$5,670 (which represents 30 percent of the per barrel clean-up and damage cost of spilled oil of \$18,900); then add \$18.9 million (\$18,900,000).

6. The amount of financial responsibility shall not exceed the amount required for nontank vessels as set forth in section 8670.37.58 of the Government Code.

7. Certificates of financial responsibility are not required for non-self propelled nontank vessels that do not carry any ~~oil~~ fuel.

(2) The amounts in this subsection are in effect unless amended by section 8670.37.53, 8670.37.58, or 8670.41 of the Government Code.

(h) Financial Responsibility Amounts for Marine Facilities, Inland Facilities, Small Marine Fueling Facilities, Mobile Transfer Units, Small Tank Barges, and Vessels Carrying Oil As Secondary Cargo.

(1) The Administrator shall determine the amount of financial responsibility that must be demonstrated as follows:

(A) For small tank barges:

1. The product derived by multiplying the maximum per barrel clean-up and damage cost of spilled oil (\$12,500) times 30 percent of the maximum cargo capacity, as measured in barrels, of the small tank barge.
2. The amount of financial responsibility shall not exceed the minimum amount required for tankers as set forth in section 8670.37.53 of the Government Code. Currently this is \$1 billion (\$1,000,000,000).
3. The amount of financial responsibility required for small tank barges used exclusively to transfer, transport, store, or mechanically treat oily waste water may be reduced if allowed by the Administrator following reconsideration pursuant to the procedures established in subsection (j) of this section. If a reduced financial responsibility amount is allowed, it shall be based on: \$12,500 times 30 percent of the maximum concentration of oil found in the oily waste water, as measured in barrels.
4. In no case will the amount of financial responsibility be reduced below the minimum of \$1 million (\$1,000,000).

(B) For marine facilities (except for offshore marine facilities, small marine fueling facilities, and mobile transfer units addressed under subsections (C), (D), and (E), respectively):

1. The product derived by multiplying the maximum per barrel clean-up and damage cost of spilled oil (\$12,500) times the reasonable worst case spill volume, as measured in barrels, calculated in the applicant's oil spill contingency plan, in accordance with subsections 817.02(d)(1)(A), (B), (C), and (E) of this subdivision.
2. The amount determined pursuant to paragraph (1) above shall not be less than \$1 million (\$1,000,000) or in excess of \$300 million (\$300,000,000), unless otherwise determined by the Administrator following reconsideration pursuant to subsection (j) of this section.

(C) For offshore marine facilities engaged in drilling operations which may have the potential for resulting in an uncontrolled release of oil from the reservoir into marine waters:

1. The product derived by multiplying the maximum per barrel clean-up and damage cost of spilled oil (\$12,500) times the reasonable worst case spill volume, as measured in barrels. This volume is based on calculations and parameters proposed by the offshore marine facility in the applicant's oil spill contingency plan, in accordance with subsection 817.02(d)(1)(C) or (D) of this subdivision, plus:
2. The amount determined pursuant to paragraph (1) above shall not be less than \$10 million (\$10,000,000) or in excess of \$300 million (\$300,000,000), unless otherwise determined by the Administrator following reconsideration pursuant to subsection (j) of this section.

(D) For small marine fueling facilities (except for mobile transfer units):

1. The product derived by multiplying the maximum per barrel clean-up and damage cost of spilled oil (\$12,500) times the reasonable worst case spill volume, as measured

in barrels, calculated in the applicant's oil spill contingency plan, in accordance with subsection 817.03(d)(1)(A).

(E) For Mobile Transfer Units:

1. The product derived by multiplying the maximum per barrel clean-up and damage cost of spilled oil (\$12,500) times 30 percent of the maximum cargo capacity, as measured in barrels, of the mobile transfer unit.
2. The amount of financial responsibility required for mobile transfer units used exclusively to transport oil-water mixture may be reduced if allowed by the Administrator following reconsideration pursuant to the procedures established in subsection (j) of this section. If a reduced financial responsibility amount is allowed, it shall be based on \$12,500 times 30 percent of the maximum concentration of oil found in the oily waste water, as measured in barrels.

(F) For Vessels Carrying Oil As Secondary Cargo:

1. The product derived by multiplying the maximum per barrel clean-up and damage cost of spilled oil (\$12,500) times 30 percent of the maximum oil cargo capacity, as measured in barrels, of the vessel.
2. The amount of financial responsibility shall not exceed the minimum amount required for tankers as set forth in section 8670.37.53 of the Government Code.
3. The amount of financial responsibility shall at least be a minimum of \$1 million (\$1,000,000).

(G) For Inland Facilities (including railroads):

1. If the applicant only poses a risk to inland waters designated as intermittent or ephemeral in the National Hydrography Dataset and the statewide quarter-mile buffer data layer (as depicted in the Southwest Environmental Response Management Application, on the National Oceanic and Atmospheric Administration's website, the required financial responsibility is the product of the reasonable worst case spill volume in barrels (as determined in the applicant's oil spill contingency plan pursuant to subsection 817.04(j) of this subdivision) multiplied by \$6,000.
2. If the applicant poses a risk to inland waters designated as perennial in the National Hydrography Dataset, the required financial responsibility is the product of the reasonable worst case spill volume in barrels (as determined in the applicant's oil spill contingency plan pursuant to subsection 817.04(j) of this subdivision) multiplied by \$10,000.
3. The maximum financial responsibility that may be required for an inland facility is \$100 million (\$100,000,000).

(i) Application renewals.

- (1) Certificate renewal applications are sent by the Administrator to the certificant approximately 45 calendar days prior to the expiration of the existing certificate.

However, failure to receive this renewal notice does not relieve the certificant of the obligation to timely renew the certificate. In order to renew a certificate, renewal applications must be submitted prior to the expiration date.

(2) If at any time after a certificate has been issued, a certificant becomes aware of a material change in any facts contained in the application or supporting documents, which includes, but is not limited to the certificant ceasing to be the owner or operator, or that the method of demonstrating financial responsibility will be terminated, or any coverage thereunder will cease, then the certificant shall notify the Administrator, in writing, within seven calendar days of becoming aware of the material change. If there is a change in applicant name, or vessel name change, or if the certificate expires, a new certificate will be necessary.

(3) If the method of demonstrating financial responsibility, as provided in the certificant's application is about to expire, the certificant shall submit to the Administrator, prior to expiration, proof of renewal or change in the method of demonstrating financial responsibility. As applicable, see subsection 795(a) Insurance, (b) Self-insurance, (c) Surety Bond, (d) Letter of Credit, (e) Guaranty, or (f) Protection and Indemnity Clubs; these sections describe the expiration and renewal process, and time-frame for submission of renewal information.

(4) Owners or operators of nontank vessels renewing a certificate shall submit the nonrefundable fee per vessel, as set forth in subsection (c)(6).

(j) Requests for Reconsideration.

(1) Applicants and certificants may submit a written request to the Administrator requesting reconsideration of the amount of financial responsibility that the owner or operator must demonstrate to obtain a certificate, or any decision by the Administrator to deny issuance of a certificate or a renewal certificate. Requests must be submitted within 15 business days from the date that the applicant or certificant receives notice of denial or of the amount of financial responsibility to be demonstrated. The Administrator may waive the ~~15~~-15-day period for submitting a request.

(2) The request must contain the basis for requesting reconsideration and, if applicable, provide evidence which rebuts the basis for the Administrator's financial responsibility determination, the denial of the application, or the denial of a renewal application.

(3) Within 15 business days following receipt of the request for reconsideration, the Administrator will send the applicant or certificant either a notice that the Administrator shall adhere to his or her earlier decision (i.e., deny the request for reconsideration); or a certificate shall be issued; or a revised notice of financial responsibility shall be issued.

Note: Authority cited: Sections 8670.7.5, 8670.37.53 and 8670.41, Government Code.  
Reference: Sections 8670.37.53, 8670.37.54, 8670.37.58 and 8670.41, Government Code.

**§ 793. Certificate Requirements for Oil Transfers at Marine Terminals and Active Offshore Marine Facilities.**

(a) Each owner or operator of a marine terminal within the state may only transfer oil to or from a tank vessel or vessel carrying oil as secondary cargo following receipt and verification of a copy of the certificate of financial responsibility issued by the Administrator to the owner or operator of the vessel, or from the owner or person accepting responsibility for all of the oil contained in the vessel, as well as all the oil to be transferred to or from the vessel.

(b) Each marine terminal owner or operator may only transfer oil to or from a vessel which is used for, or is intended to be used for, transferring oil as cargo to or from a second vessel located within twelve miles of the California shoreline, following receipt and verification of a copy of the certificates issued for both vessels or all of the oil contained in both vessels, as well as all the oil to be transferred to or from both vessels.

(c) Each marine terminal owner or operator shall be determined to have met the verification requirements set forth in subsections (a) and (b) of this section, when, at the time of oil transfer, the marine terminal owner or operator has:

(1) Obtained verbal verification that all certificates are current and applicable to the vessels and, if applicable, to all of the oil contained in or to be transferred to or from the vessels from the persons responsible for the vessels, or from the persons responsible for the oil to be transferred to or from the affected vessels, or from persons authorized to provide this verification; and

(2) Visually inspected all relevant manifests or similar documentation (e.g., U.S. Customs Cargo Declarations) to confirm the information ascertained pursuant to (1); and

(3) Assured that the information contained in the certificates of financial responsibility is consistent with the information acquired pursuant to (1) and (2) above.

(d) The owner or operator of the marine terminal must retain a copy of the certificates obtained in accordance with (b) and (c) for a period of not less than one year.

(e) Owners or operators of mobile transfer units used exclusively to respond to, contain, and clean up oil spills shall be exempt from the financial responsibility requirements set forth in this subchapter, provided the responsible party or the Administrator agrees to indemnify the owner or operator, or the owner or operator is subject to the qualified immunity provisions set forth in Government Code section 8670.56.6.

(f) Special procedures for owners or operators of offshore marine facilities engaged in drilling operations:

(1) The owner or operator of any offshore marine facility from which drilling operations are being carried out, where the drilling operations may have the potential for resulting in an uncontrolled release of oil from the reservoir into marine waters, shall demonstrate the financial ability to pay for any damages resulting from the operations of the offshore marine facility during an oil spill from the facility or from the drilling operations. The



amount shall be based on the procedures described in subsection 791.7(h)(1)(C) of this chapter.

(2) At such time as an offshore marine facility owner or operator submits an application to the California State Lands Commission or the ~~Division of Oil, Gas and Geothermal Resources~~ Geologic Energy Management Division of the California Department of Conservation in the ~~Department of Conservation~~ for permission to carry out drilling operations which may have the potential for resulting in an uncontrolled release of oil from the reservoir into marine waters, that owner or operator shall apply for and obtain from the Administrator a new or amended certificate of financial responsibility to comply with the requirements of this chapter. The certificate shall no longer be required once the drilling operations are completed and any risk of spill abated.

Note: Authority cited: Sections 8670.7.5, 8670.37.51, 8670.37.53, 8670.37.54, 8670.37.56 and 8670.37.58, Government Code. Reference: Sections 8670.37.51, 8670.37.52, 8670.37.53, 8670.37.54, 8670.37.55, 8670.37.56, 8670.37.57 and 8670.56.6, Government Code.