

## Examples of Bulk Product Transfer Scenarios

---

This document presents several example scenarios of bulk product transfer facility development and provides a comparison of the permitting potential under the original Coastal Zone Act (and its regulations) and the Coastal Zone Conversion Permit Act. The example scenarios are purely for illustrative purposes only and in no way represent any proposed uses. These examples also in no way represent DNREC’s official position — any permit application submitted to DNREC is always evaluated on its own merits.

Under the Coastal Zone Conversion Permit Act, the 14 existing heavy industry use sites would be able to operate a bulk product transfer facility for products produced or used in the Coastal Zone (or, in the case grain, produced or used anywhere) through a new conversion permit. In the current regulations ‘bulk product’ “means loose masses of cargo such as oil, grain, gas and minerals, which are typically stored in the hold of a vessel. Cargoes such as automobiles, machinery, bags of salt and palletized items that are individually packaged or contained are not considered bulk products in the application of this definition.”

<b>Bulk Product Scenario at any of the 14 Heavy Industry Use Sites</b>	<b>Allowable under original CZA?</b>	<b>Allowable under CZCPA?</b>	<b>Type of Permit</b>
Export or import grain as bulk product to/from Africa	No	Yes	Conversion Permit
New manufacturing facility (not heavy industry use) wants to import palm oil as bulk product from Africa to a new dock and use all the product in its manufacturing process at the site	Yes	N/A (not a heavy industry use)	CZA permit
Manufacturing facility wants to ship, as bulk product, excess palm oil brought in by ship to sister facility in Pennsylvania	No	No	None, not allowed (only grain can be shipped outside of the Coastal Zone)
Manufacturing facility wants to ship, as bulk product, excess bulk palm oil brought in by ship to sister facility in Coastal Zone	No	Yes	Conversion Permit (bulk products can be shipped and utilized within the Coastal Zone)

<b>Bulk Product Scenario at any of the 14 Heavy Industry Use Sites</b>	<b>Allowable under original CZA?</b>	<b>Allowable under CZCPA?</b>	<b>Type of Permit</b>
New chemical processing facility plant wants to build a dock to service their own operations	No	Yes	Conversion Permit for heavy industry use
Facility wants to build a dock to import/export bulk product for an adjacent facility in the Coastal Zone	No	Yes	Conversion Permit required for the bulk product transfer facility
Facility wishes to import grain by ship via dock and send to facility in Maryland by rail	No	Yes	Conversion Permit required for the bulk product transfer facility

The above scenarios are illustrative for the questions they raise, each of which need to be addressed in the new CZA regulations:

- What documentation is necessary to verify whether bulk products imported are only sent to facilities within the Coastal Zone? Fully utilized in the operation of one or more facilities within the Coastal Zone?
- How can we verify whether bulk products exported are produced by one or more facilities in the Coastal Zone?
- What should the reporting requirements be for bulk product transfer facilities to ensure compliance with the Act?
- What should the reporting requirements be for facilities that import bulk products for their own use?
- What should the reporting requirements be for bulk product grain?