

TECHNICAL UPDATE No. 04, 2015 / April

# PROCEDURE FOR THE LAY-UP OF MOBILE OFFSHORE UNITS



## GENERAL INFORMATION

This document aims to give owners of DNV GL-classed MOUs guidelines and recommendations with regard to the short- or long-term lay-up of their vessels.

A laid-up vessel is a vessel which has been taken out of commercial operation for an undefined period of time.

For units planned for lay-up, DNV GL may issue a Lay-up Declaration and/or a Lay-up Preservation Declaration, if required by third parties.

### Two lay-up conditions:

#### 1. Hot lay-up

- Lay-up time is usually less than 12 months
- Machinery is kept in operation
- Relevant cargo may be kept on board, but the owner should check about acceptance from their insurance company

#### 2. Cold lay-up

- Lay-up time is usually more than 12 months
- Machinery is out of operation; only emergency generators are in operation or temporary deck generators are installed
- Reduced manning

### Considerations by owner when planning for lay-up:

- Estimated time in lay-up condition
- Operational cost savings
- Re-commissioning time and cost
- Next intended destination after re-commissioning, e.g. normal operation, repair yard or other
- Age of vessel and recycling value

### Requirements for lay-up:

- The vessel is safely moored with periodical mooring watch and emergency operation of mooring winches
- Mooring winch is available at short notice
- Navigation lights, fire and bilge alarms are in operation
- Fire extinguishing and bilge systems are operable on short notice by competent personnel
- Safety arrangements for personnel on board, if any, are in place

## PROCEDURE OF A VESSEL'S LAY-UP: STATUS "LAID-UP"

Item	Hot lay-up	Cold lay-up
<b>Class status</b>	Laid-up	Laid-up
<b>Certificates</b>	To be suspended from first overdue annual survey	Put on hold, no requirement for condition follow up; conditions, if found, will be issued during annual lay-up survey
<b>Machinery</b>	In operation	Out of service, electrically dead, but running emergency generator
<b>Cargo</b>	Cargo as relevant may be on board; owner to check with insurance company	Normally no cargo; power kept to a minimum level
<b>Maintenance*</b>	Limited operational maintenance	Preservation and its documentation, especially when returning to normal trade
<b>Survey requirements</b>	Annual survey of laid-up vessel	Annual survey of laid-up vessel
<b>Assumed time of re-commissioning</b>	1 week	Usually more than 3 weeks; depends on vessel's age and value, preservation and further duties: <ul style="list-style-type: none"> <li>■ Normal operation</li> <li>■ Sailing to repair or scrap yard</li> </ul>
<b>Manning</b>	Engineering and navigation officers	Fire, leakage, mooring and security watch
<b>Characteristics</b>	Flag state may allow reduced manning	Challenge with humidity (especially RH >50 %); minimum manning (no requirements) covering fire, leakage, moorings and security watches
<b>ISM and ISPS (if relevant)</b>	Suspended after 3 months; reactivation audit needed	Invalid; interim audit needed
<b>Flag</b>	Flag requirement for Laid-up	Flag requirement for Laid-up

\*No class requirement but will affect re-commissioning

**Survey requirements during lay-up:**

- 1) A reduced annual survey is to be carried out, covering watertight integrity, the bilge system, fire hazards and equipment in use. Vessels manned during lay-up shall comply with class requirements regarding fire safety. The requirements may be limited to engine room areas and any high-risk area in use, assuming vessels are laid up in ballast condition and that the cargo area is clean and gas free.
- 2) Prolonged survey intervals may be applied to vessels being laid up directly after completion of construction.
- 3) Maintenance and preservation during the lay-up period is not a class requirement, but may affect the scope of the re-commissioning survey. If during the lay-up period the vessel has been preserved and maintained according to a programme accepted

by DNV GL, the scope of the re-commissioning survey will be specially considered.

- 4) There is no time limit for how long a vessel can be laid-up, provided the required surveys as above are carried out.

**Preservation of vessel:**

Upon request, DNV GL may issue a Lay-up Preservation Declaration confirming that a vessel has been laid-up in accordance to DNV GL procedures for:

- Preserved
- Dry preserved

Specific details about the above is given in Ref /1/.

## RE-COMMISSIONING

### Preparation by owners:

The following steps should be taken by the owner upon the re-commissioning of a vessel:

- Notify local **port authorities** in the lay-up area
- Notify the **classification society** and check which class requirements have to be fulfilled prior to leaving the lay-up site

- Notify the relevant **insurance company and flag state administration**
- Ensure the Safety Equipment Certificate and all other **statutory certificates** are valid
- **Re-commission** the vessel with the vessel's crew or other **competent personnel** (preferably with guidance and attendance of local class surveyor)

### Re-commissioning survey:

Lay-up time	Consideration	Preservation	Class scope
<12 months	To be considered as operated continuously	Assumed to be under normal operating conditions If vessel has been subject to no preservation	Case-by-case; typically only latest overdue surveys and conditions Case-by-case; typically sighting and overdue survey
>12 months	Extent of survey depends on: <ul style="list-style-type: none"> <li>■ The time the unit has been out of commission</li> <li>■ Maintenance and preservative measures taken during lay-up</li> <li>■ The extent of surveys carried out during commission</li> </ul>	Not required, but will be considered for scope of re-commissioning surveys	Case-by-case, with at least: <ul style="list-style-type: none"> <li>■ Latest overdue surveys</li> <li>■ Sea trial for function testing of machinery installations</li> </ul>

### Re-commissioning survey depends on:

- Time in lay-up
- Maintenance
- Preservative measures taken during lay-up
- Survey status at the time of re-commissioning
- The purpose of re-commissioning
- Type and age of vessel

### Surveys should include at least the following equipment:

- Main engine safety alarms
- Engine should be run ahead and astern by engine room and bridge controls, including testing of shut-down and slow-down functions
- Auxiliary engines with connected automation equipment
- All pumping, pneumatic and hydraulic systems
- All alarms covering main engines, auxiliaries with steering gear
- Remote operation of fuel oil and lube oil, pumps and valves
- Cargo and ballast pumps
- Bilge pumping systems
- All communication systems
- Steering gear, including emergency operation
- All deck machinery and equipment
- All navigation and sounding lights and signals
- Special survey/testing of equipment/systems based on class notations (DRILL, PROD, etc.)

## CLASS FEE DURING LAY-UP

### Rigs operating under Periodical Service Agreements

A Periodical Service Agreement (PSA) will cover the classification scope for a five-year period for mobile offshore units covered by such an agreement. The annual fee for the PSA includes all direct fees related to three regular annual surveys in addition to the increased fees of the intermediate (third annual) and the renewal survey (SPS). The class fee for the PSA is either defined as annual equal instalments or by instalments covering the respective scope of the survey per year as follows:

**Option 1** - Annual cost with five equal instalments, whereby the extra cost of the intermediate and renewal surveys are averaged over the five-year agreement period

**Option 2** - Annual cost reflected in the actual fee of the survey to be performed that year, with increased cost for the years when the intermediate and renewal surveys are to be carried out

For rigs going into lay-up, the PSA is to be revised as follows:

- The PSA is temporarily to be terminated for the lay-up period, as the regular class surveys are not to be carried out
- Revised fee: the costs of the annual surveys during lay-up will be invoiced from the local DNV GL station performing the annual lay-up surveys according to DNV GL standard rates

### Rigs not operating under Periodical Service Agreements

For rigs going into lay-up and which are not regulated by the PSA, the annual class fee will represent the costs of the reduced annual lay-up survey to be invoiced from the local DNV GL station according to DNV GL standard rates.

### Rigs re-entering into service

The costs of the re-commissioning survey will be invoiced from the DNV GL station performing re-commissioning survey according to DNV GL standard rates.

For rigs operating under a PSA, the agreement will be re-started when the rig goes into operation. For rigs operating under the PSA Option 1, any unpaid dividends of upcoming intermediate and/or renewal surveys will be included in the first year annual invoice after the rig has entered into operation.

## REFERENCES

[DNV GL Guidelines - No. 22. Lay-up of vessels, June 2014](#)

## CONTACT INFO

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