

Hedrick: Proposed ergonomics rules pose problems

IN TESTIMONY BEFORE an Occupational Safety and Health Administration panel on 8 May, **Bill Hedrick**, Health, Safety and Environmental Manager for **Rowan Companies Inc** and chairman of the IADC Subcommittee on Ergonomics expressed the IADC's serious concerns about the proposed OSHA ergonomics rule. Mr Hedrick has led IADC's efforts to react to the proposal.

"The proposed ergonomics rule threatens the existence of many of our member companies and is unnecessary," said Mr Hedrick.

"Our association has thoroughly reviewed this proposed rule and takes exception to many comments and alleged facts in the supportive documentation used to justify its promulgation."

Following are highlights of Mr Hedrick's testimony.

MSD STATISTICS

To begin with, the musculoskeletal disorder (MSD) incident statistics cited by OSHA as the basis for this rule are clearly erroneous, at least with regard to our industry sector, SIC code 138. OSHA's Table ES-1 in the Economic Analysis claims we incur a Total Recordable Incident Rate (TRIR) of 1.52. In other words, allegedly, we have 1.52 MSD incidents per 100 workers per year.

First of all, utilizing only one year's data, 1996, is not responsible, accurate, or reliable.

Moreover, the information presented in the subject table, based on our detailed analysis is incorrect. The IADC maintains industry incident statistics on a quarterly and annual basis. Individual member companies also compile detailed statistics for in-house use.

The industry's actual, verified MSD rate is 0.50, or less than one-third of that listed by OSHA. Moreover, insurance industry rate making data confirms that our industry is substantially safer with respect to overall incident rates, and specifically MSD incident rates, than OSHA claims.

We have been aggressively seeking solutions to workplace equipment and pro-

cedural obstacles. Approximately two years ago, the association formed the Safety Engineering by Design Subcommittee to specifically address such workplace hazards.

To date, this task force has developed a number of solutions relating to ergonomic and other safety considerations. Current projects include several product redesign efforts that will successfully impact ergonomics at our work sites.

For these and other reasons we also disagree with OSHA's premise that the private market has not been effective in reducing the significant risk of incurring a work-related MSD.

COST IMPACT

OSHA's contention in its Economic Analysis that our industry group, SIC 138, is likely to recoup the cost of compliance by raising prices without suffering any loss is utterly baseless and false.

OSHA's failure to understand the economic realities of our industry illustrates the fact that OSHA hasn't examined the industry's generally accepted contractual framework. Simply put, the vast majority of our industry's contracts with oil companies do not permit price increases or "pass throughs" for regulatory compliance.

Obviously, employee turnover will impact the economic burden of this proposed rule. On page 202 of the Economic Analysis, OSHA cites Bureau of National Affairs (BNA) 1996 turnover data as the source of its information utilized to compute such increased costs.

There is no industry breakdown by SIC codes relative to turnover rates.

The reality of the matter is that our industry's turnover rate is, on average, in excess of 50% per annum. Thus OSHA failed to accurately establish the negative cost impact of turnover rates.

Many of our rigs drill 20 or more wells a year in different locations. If one assumes a rig moves 5 times in a year, with each move being at least 100 miles, it is reasonable to expect the employer will hire a total of at least 100 people in

order to maintain a 20-person crew. In this scenario, the turnover rate becomes 500%!

It is obvious these rig moves contribute to our industry's turnover and add a significant cost component not found in the Economic Analysis. Examples of increased compliance costs would include training requirements, hazard analysis costs, and potential MSD management mandates.

DEFINING MSD

We are justifiably concerned as to the broad definition of MSD. As we set forth in our written submission to the docket, The Journal of Bone and Joint Surgery reported 82% of medical school graduates failed a musculoskeletal competency examination.

With this, we seriously question the ability of other so-called healthcare providers included in OSHA's definition to properly diagnose and adhere to the MSD management requirements currently proposed.

In its Economic Analysis, OSHA contends the Workers Compensation payments typically cover 90% of net pay and therefore there is no additional cost to the employer except for the benefit burden, when Work Restriction Payments (WRP) are necessary. We are also convinced the WRP section will not pass judicial muster.

OSHA also analogizes such enhanced benefits to those used in other rule-making efforts, specifically those involving lead and other metal exposure requirements.

There is a dramatic distinction between them and the current exercise. The metal exposure standards are purely objective.

In stark contrast, purely subjective considerations are paramount in the ergonomics proposal.

The use of the term "Low Back Pain" is but one example.

ALTERNATIVES OFFERED

If OSHA insists on proceeding with ergonomic regulation, we offer the following recommendations:

- We believe the current Economic Analysis is seriously flawed and strongly urge OSHA to perform a complete, thorough and up-to-date analysis prior to issuance of any final rule. All affected industrial segments of the economy should have the right to review the revised analysis and participate in reasoned debate and be provided with an adequate time period to do so;

- Remove the Work Restriction Protection (WRP) provision completely;

- Delete any reference to drug testing being a potential deterrent to an effective MSD prevention program;

- Limit coverage of any ergonomic rule to those industries that truly incur significant MSDs due to repetitive motion conditions, beginning with the worst 25 industries. If these industries experience a true measurable decline in MSDs, then the scope of the regulation could be incrementally expanded to the next worst tier of 25 industries;

- Remove Manual Handling jobs from the scope of any ergonomic regulation;

- Any final standard should address employee misconduct. An employer should not be responsible for an employee's disregard of known safety requirements;

- Limit the definition of HCP to that of a licensed medical doctor;

- Define MSDs so that such conditions are clearly limited to those that are generally recognized to occur largely due to repetitive motion in the workplace;

- Utilize only medically accepted objective signs and symptoms in defining MSDs;

- Establish scientifically defensible permissible exposure limits;

- Require a pattern of MSD reports, not a single triggering event, prior to forcing implementation of an ergonomics program.

MORE INFORMATION

Finally, we have submitted an additional Freedom of Information Act request, relative to the development of the preliminary economic analysis and other related materials.

It is our intention to supplement the record on this and other issues. ■

C.R. Luigs at work in deep water

THE PURPOSE-BUILT DRILLSHIP

Glomar C.R. Luigs began drilling in early May in about 6,700 ft of water on an appraisal well on the Atlantis prospect in the US Gulf of Mexico.

The dynamically-positioned vessel, built for **Global Marine Inc** at the **Harland and Wolff** shipyard in Belfast Ireland, is under a 3-year contract to **BHP Petroleum** in the Gulf. **Elf Total/Fina** also has two 6-month windows during the contract period when it can use the drillship. A sister ship, the Glomar Jack Ryan, built in the same yard, will be under a 3-year contract to **Exxon Mobil**.

Each vessel cost about \$365 million and has a number of features aimed at enhancing ultra-deep water capability, efficiency, and cost effectiveness. Each drillship will be capable of drilling a 35,000-ft well in 12,000 ft of water.

Two supply boats were built to serve the C.R. Luigs, though it has large pipe and expendables capacities including about 50,000 bbl of diesel (120 days supply), 12,000 bbl of liquid mud, and 11,000 cu ft of bulk barite.

PIPE HANDLING

The C.R. Luigs pipe handling system has a dual racking system that includes a vertical racker and a Global Marine-designed horizontal racker. Global Marine says the system is safer, simpler, and more efficient.

It lowers the center of gravity of the vessel, reducing downtime. And it permits operations to be conducted "off line" while other operations are in progress.

For example, the system permits drilling while casing is being made up on the rig floor. Much of the cost savings on a well such as this comes from savings made in running casing, says Global Marine. That's why the off line capability of the C.R. Luigs offers an added advantage.

POSITIONING SYSTEM

Six fully retractable 5.0-megawatt thrusters keep the ship on station: two in the stern, one aft on centerline, two forward, and one on the bow on centerline. They can be retracted completely into the hull for maintenance on location.

The thruster system is designed to permit the vessel to maintain position in a 50-year Gulf of Mexico winter storm taken on the beam.

CONTINUITY IS IMPORTANT

As critical as state-of-the-art hardware is on a well in several thousand feet of water, performance on the project is only as good as the people that make up both the ship's crew and the drilling crew.

An organizational structure is in place on the C.R. Luigs that helps ensure complete communication between shifts and continuity in operations.

Top managers' work schedules have been arranged to overlap and crew shifts overlap with the drillers' work schedule. The drilling crew works 12 to 12 and drillers work 6 to 6.

"It gets away from the 'this is my crew and that's yours' attitude," said a Global Marine manager.

CURRENT WELL

BHP Petroleum disposed of much of its inventory of shallow water and land properties and prospects

to be able to invest heavily in deep water, according to **Paul White**, BHP's Senior Drilling Supervisor on the Atlantis prospect well.

This second well, an appraisal well, is scheduled to go to about 15,000 ft below seabed. The well should take about 95 days to drill. Dry holes in the area are said to cost around \$30 million each. ■



The riser was being run from the C.R. Luigs in early May in 6,700 ft of water.