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Submitted via: oirasubmission@omb.eop.gov

Office of Information and Regulatory Affairs
Office of Management and Budget
725 17th Street, N.W.
Washington, DC 20503
Attention: Desk Officer, U.S. Coast Guard, DHS

Re: Marine Casualty Reporting Property Damage Thresholds
(Docket: USCG-2016-0748; RIN 1625-AC33)

To whom it may concern:

The International Association of Drilling Contractors is a trade association representing the interests of drilling contractors, onshore and offshore, operating worldwide. Our membership includes all drilling contractors currently operating mobile offshore drilling units (MODUs) in the areas subject to the jurisdiction of the United States.

The purpose of this letter is to respond to the U. S. Coast Guard's 23 January 2017 NPRM, which proposes to amend the monetary property damage threshold amounts, which were originally promulgated with the initial rulemaking circa 1980, for reporting a marine casualty and a serious marine incident (SMI).

The below comments are offered without prejudice to those that may also be addressed or submitted directly by IADC members.

IADC applauds the Coast Guard's action to update the property damage thresholds for marine casualty reporting and for SMIs, which, by reducing the reporting burden, is of benefit to both the offshore industry and the Coast Guard. We offer the following comments:

Reporting Thresholds

By increasing the thresholds for reporting marine casualties only in CFR Title 46, without changing those reporting thresholds in 33 CFR 146, the Coast Guard would appear to be penalizing OCS facilities by having them retain the lower threshold reporting requirement as compared to those stated in this NPRM.

Additionally, we noted that the Coast Guard has a second related rulemaking (USCG-2013-1057) in progress that proposes to broaden the regulatory requirements for reporting marine casualties on the U.S. OCS. Our comparison of both of these rulemakings suggests

that the Coast Guard is in conflict with their own attempt to “maintain and improve safety on the OCS,” as stated in that second rulemaking. Therefore, IADC recommends that the Coast Guard review the marine casualty thresholds in both CFR Titles 33 and 46 with a view towards standardization.

Keeping Reporting Thresholds Current

IADC recognizes that the Coast Guard is using the same CPI-U numbers to calculate and revise the damage thresholds that they currently employ for their civil penalty adjustments. Therefore, IADC recommends that the Coast Guard include a provision in the rulemaking to revise these reporting thresholds using the same rate increase schedule as those for civil penalty updates. This would avoid the need for deliberate “catch up” efforts in the future by managing such updates in keeping up with the pace of inflation.

IADC appreciates the opportunity to provide comments and recommendations regarding this proposed rulemaking and asks that they be given due consideration. Should you have any questions about any portion of this correspondence, please contact me by phone at (713) 292-1945 Ext. 203.

Sincerely,

A handwritten signature in black ink that reads "John Pertgen". The signature is written in a cursive, flowing style.

John Pertgen
Director, Offshore Technical and Regulatory Affairs