

International Association of Drilling Contractors



**IADC HSE Environmental Subcommittee
Meeting
April 23, 2014
IADC
10370 Richmond Ave., Suite 760**

Minutes

Agenda Item #1: Welcome, Introductions & Building Information

The IADC HSE Environmental Sub-Committee was called to order by Travis Warden, Diamond Offshore, and Committee Chair. Travis welcomed everyone and thanked them for attending. Rhett Winter, IADC, then provided attendees with building and emergency response information. Mr. Warden then asked everyone to introduce themselves, see the attached attendance sheet.

Rhett Winter, IADC, reviewed the IADC Anti-trust Policy & Guidelines, calling attention to prohibited discussion topics. For a copy of the IADC Anti-trust Policy & Guidelines refer to <http://www.iadc.org/iadc-antitrust-policy-guidelines>.

Agenda Item #2: Opening Comments and Discussions

Discussion was started by Tina Lapene of Noble Corporation informing everyone on the eNOI default limit sets for MODU's set by the EPA. (Printed emails were passed out explaining the issue) The GMG2900000 does not require that MODU's obtain coverage for any specific waste streams and therefore it is not appropriate for the eNOI system to automatically include sanitary waste, domestic waste and deck drainage in the MODU's permit. The current settings burden MODU's with reporting that is not required by the permit, plus the default limit sets unfairly bias Operator/Drilling contract negotiations regarding permit coverage. The email was also sent to IADC offshore division, with future plans for IADC to draft a letter to the EPA requesting reconsideration of the eNOI default limit sets.

Travis Warden then brought up the B.O.P function test and the escape of drilling fluid. The issue is that every time a B.O.P gets function tested, an estimated 5 gallons of fluid is lost. The remaining questions are who is regulating this and does it need to be reported?

Micah Backlund of H & P then discussed California's Senate Bill 4 or SB4 and how state legislation was affecting California operations. SB4 provides for the comprehensive oversight of oil and gas operations within California. However, many of the local municipalities are considering bans on hydraulic fracturing and well stimulation. Carson, Culver City, the city of Los Angeles, Beverly Hills, Santa Rosa are among a few that either have already passed temporary bans or have future consideration to do so. The impact could be significant for any onshore contractor operating in California.

Agenda Item #3: Presentation on the effects of Oil & Gas rig lights in the Night Sky

Given by William Wren, M.Ed. Special Assistant to the Superintendent, McDonald Observatory
Web page and summary can be found here: <http://mcdonaldobservatory.org/darkskies>

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Agenda Item #5: Regulatory Reports

Travis Warden presented the following regulatory summary:

DHS / U.S. Coast Guard

- **Training of Personnel and Manning on Mobile Offshore Units and Offshore Supply Vessels Engaged in U.S. Outer Continental Shelf Activities.** On 14 April 2014 ([79 FR 20844](#)) the USCG issued an ANPRM wherein they propose to expand its maritime safety training requirements to cover all persons other than crew working on OSVs and MOUs engaged in activities on the US OCS, regardless of flag. Their reasoning is to enhance personnel preparedness for responding to emergencies. They are requesting comments on:
 1. Sufficiency of existing maritime safety training and the value of additional maritime safety training for persons other than the crew
 2. MOU's safety organizational structure (defining levels of authority and lines of communication)
 3. Professional education and service requirements for industrial officers on MOUs
 4. Sufficiency of manning regulations on MOUs and OSVs
 5. Available economic data on current labor market trends and conditions, as well as the current costs, benefits, and effectiveness of mandated maritime safety training courses and programs for persons other than the crew. Comment due date 14 July 2014. NOTE: IADC plans to submit comments and an extension request to this ANPRM.
- **Draft Guidance for Interpreting Regulations for Marine Casualty Reporting (USCG-2013-1047)** (RIN Not listed; CFR Not listed) On 14 January 2014 ([79 FR 2466](#)) the USCG announced the availability of draft guidance in the form of a NVIC entitled "Title 46, Code of Federal Regulations, Part 4 Marine Casualty Reporting Procedures Guide with Associated Standard Interpretation." This guide will assist regulated maritime industry stakeholders in determining if certain occurrences are reportable or not to the USCG. They are requesting public comments on the impacts that the interpretations and policies contained in the draft NVIC, available on the docket, would have upon vessel owners and operators or other affected parties. Comment due date: 14 April 2014
- **Marine Casualty Reporting on the Outer Continental Shelf (USCG-2013-1057)** (RIN 1625-AB99; 33 CFR 1140 and 146 / 46 CFR 4 and 109) On 10 January 2014 ([79 FR 1780](#)) the Coast Guard issued an NPRM that proposes to broaden the regulatory requirements for reporting marine casualties that occur on the US OCS. This rulemaking would modify the currently limited reporting requirement of foreign flag OCS units to include the same requirements of US flag OCS units, in effect improving the USCG's ability to collect and analyze casualty data for incidents on the US OCS, in the interest of maintaining and improving safety on the OCS. Comment due date: 10 April 2014
- **Nontank Vessel Response Plans and Other Vessels Response Plan Requirements (USCG-2008-1070)** (RIN 1625-AB27; 33 CFR Parts 151, 155 and 160) On 31 August 2009 ([74 FR 44970](#)) the USCG issued a NPRM, which proposes regulations requiring owners or operators of nontank vessels to prepare and submit oil spill response plans. The FWPCA defines nontank vessels as self-propelled vessels of 400 gross tons or greater that operate on the navigable waters of the US, carry oil of any kind as fuel for main propulsion, and are not tank vessels. The proposed rulemaking specifies the content of the response plan and also addresses the requirement to plan for responding to the worst case discharge

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and a substantial threat of a such a discharge. Additionally, this rulemaking would update the International Shipboard Oil Pollution Emergency Plan (SOPEP) requirements that apply to certain nontank vessels and tank vessels. This proposed rulemaking would also require vessel owners to submit their vessel response plan control number as part of their required Notice of Arrival information. Comment due date: 30 November 2009. [On 19 November 2009 IADC submitted [comments](#) to this docket]

On 30 September 2013 ([78 FR 60100](#)) the USCG issued a **Final Rule**, which reiterated the requirements in the NPRM. Effective date: 30 October 2013. In this rulemaking the USCG clarified that an NTVRP is not required unless a vessel (including a MODU) comes into the navigable waters of the US (12NM). They said: "Thus, for example, a nontank vessel that did not operate on the navigable waters of the United States could operate upon the outer continental shelf (OCS) of the United States or within the EEZ and not require a NTVRP. On the other hand, a nontank vessel that operated upon U.S. navigable waters en route (to) a destination on the OCS outside U.S. navigable waters would be required to hold a NTVRP." On 7 April 2014 ([79 FR 19107](#)) the USCG cancelled NVIC 01-05 *Interim Guidance for the development and Review of Response Plans for Nontank Vessels*. This NVIC was cancelled based on the final rule being issued.

DOI / Bureau of Safety and Environmental Enforcement (BSEE)

- **BSEE Forms Oil and Gas Operations; Proposed Collection (BSEE-2014-0004)** (RIN not listed; CFR not listed) on 14 April 2014 ([79 FR 20897](#)) BSEE submitted a notice to the Office of Management and Budget for a revision to the paperwork requirements in the regulations under Subpart D, *Oil and Gas drilling Operations*. Of particular interest is that BSEE is proposing that all forms will now include a certification stating that false submissions are subject to criminal penalties. Comment due date: 30 June 2014.

Department of Labor (DOL) / Occupational Safety and Health Administration (OSHA)

- **Process Safety Management and Prevention of Major Chemical Accidents.(OSHA-2013-0020)** (RIN 1218-AC82; 29 CFR 1910) On 9 December 2013 ([78 FR 73756](#)) OSHA issued a request for information which requests comment on the potential revisions to the Process Safety Management (PSM) standard, its Explosives and Blasting Agents standard, potential updates to its Flammable Liquids standard, Spray Finishing standard, and potential changes to the PSM enforcement policies. The preamble to the PSM final rule explained that OSHA excluded these operations because it had begun a separate rulemaking for oil and gas well drilling and servicing operations (48 FR 57202). However, the Agency subsequently removed the oil and gas well drilling and servicing operations (Oil and Gas Drilling and Servicing Vertical Standard) rulemaking from its regulatory agenda and OSHA never promulgated a final rule for these operations. In light of this history, OSHA requests public comment on whether to retain or remove the exemption as stated in § 1910.119(a)(2)(ii). OSHA is also proposing to require additional Management System Elements such as adopting management-system elements from safety standards that other federal agencies promulgated since 1992. Should this change and additional proposals they plan to make to the PSM rule, all US onshore contractors and those contractors in State and Inland waters would be required to have a Management System to address the elements of PSM. Comment due date: 10 March 2014

On 7 March 2014 ([79 FR 13006](#)) OSHA issued an extension to the comment period. Revised Comment due date: 31 March 2014

Environmental Protection Agency (EPA)

EPA – Toxic Substances Control Act

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- **Hydraulic Fracturing Chemicals; Chemical Information Reporting under TSCA section 8(a) and Health and Safety data Reporting under TSCA section 8(d)** (RIN 2070-AJ93; 40 CFR 712 and 716). The recent Unified Agenda indicated that the EPA is considering plans to initiate a proposed rulemaking under TSCA sections 8 (a) & (d) to obtain data on chemical substances and mixtures used in hydraulic fracturing. Although the EPA granted the petitioners' request to initiate a rulemaking, the agency is not committing to a specific outcome. EPA tends to first develop an ANPRM and initiate a stakeholder process to provide input on the design and scope of the TSCA reporting requirements that would be included in a proposed rule. No set date has been indicated for the ANPRM.

EPA – Clean Water Act (CWA) and Oil Pollution Act (OPA)

- **Definition of “Waters of the United States” under the Clean Water Act. (EPA-HQ-OW-2011-0880)** (RIN 2040-AF30; 40 CFR 110, 112, 116, 117, 122, 230, 232, 300, 302, and 401) On 21 April 2014 ([79 FR 22188](#)) the EPA issued a proposed rule (with the Army Corps of Engineers) defining the scope of water protected under the CWA. This proposal will increase clarity as to the scope of the “waters of the United States” protected under the Act. Comment due date: 21 July 2104

EPA – Resource Conservation and Recovery Act (RCRA)

- **Hazardous Waste Management System: Modification of the Hazardous Waste Manifest System. (EPA-HQ-RCRA-2001-0032).** (RIN 2050-AG20; 40 CFR 260 thru 265, and 271) On 26 February 2008 ([73 FR 10204](#)) the EPA published a notice of availability and request for comments regarding the electronic manifest (e-Manifest) project. This project is to develop a centralized web-based information technology system for electronic manifests. Comment due date: 11 April 2008. The most recent Unified Agenda indicates that a final rule was planned for November 2013.

On 7 February 2014 ([79 FR 7518](#)) the EPA issued a **Final Rule**, which that authorizes the use of electronic manifests (or e-Manifests) as a means to track off-site shipments of hazardous waste from a generator's site to the site of the receipt and disposition of the hazardous waste. This rule also directs the EPA to establish a national electronic system to impose service fees to fund the system. Once completed the system will be a legal alternative to the paper manifests. Effective date: 6 August 2014. [NOTE: compliance date for these regulations will be delayed until such time as the e-Manifest system is shown to be ready for operation. This rule pre-empts States]

Agenda Item #6: Meeting Close Out: Next Meeting Date and Agenda Items

The next meeting will be held July 23, 2014 at IADC.

Members may submit suggested topics for the next meeting to Joe Hurt, IADC, joe.hurt@iadc.org.

Meeting adjourned at 11:30 a.m.

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ATTENDANCE

Name		Company Name
Dustin	Campbell	ATWOOD OCEANICS
Travis	Warden	DIAMOND OFFSHORE
Leonardo	Desousa	DIAMOND OFFSHORE
Stefan	Malhotra	ENSCO PLC
Mark	Crelia	HELMERICH & PAYNE
Andra	Wilcox	HOUSTON ADVANCED RESEARCH CENTER
Rhett	Winter	IADC
Alan	Spackman	IADC
Chris	Doremus	MAERSK DRILLING
Tina	Lapene	NOBLE DRILLING
Heather	Myklebust	ROWAN
Nicole	Rudolph	ROWAN
Mike	Truitt	SAVANNA DRILLING
Franklin	Pichardo	SODEXO
Keith	Stringer	SUBSEA SOLUTIONS
Dennis	Hayes	TRANSOCEAN
Monica	Mauricio	WILD WELL CONTROL
Micah	Backlund	HELMERICH & PAYNE