



IADC HSE COMMITTEE MEETING
4 August 2011
Host: Transocean

Agenda Item #1: Welcome, Introductions & Building Information

The IADC HSE Committee was called to order by John Karish, ENSCO PLC. John thanked Transocean for hosting the meeting and providing lunch.

Ian Hudson, Director QHSE, Transocean welcomed everyone and provided the building safety and emergency briefing.

Agenda Item #2: IADC Anti-trust Policy & Guidelines

Joe Hurt, 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://iadc.org/antitrust/>.

Agenda Item #3: Subcommittee Reports

Environmental Subcommittee

Jennifer Cavagnol, Hercules Offshore, Inc. reported:

- The HSE Committee's Environment Sub-Committee is reworking the Environmental Reporting Guidelines to bring them more in line with the EPAP guidelines. If any attendees want a copy of these guidelines contact Joe Hurt. The attendees were instructed to send suggestions for changes to Joe Hurt joe.hurt@iadc.org.
- The next Environmental Sub-Committee will be held on September 21 at IADC office. Suggestions for discussion topics should be submitted to Joe Hurt at joe.hurt@iadc.org.

Agenda Item #4: Julia Swindle, IADC – SEMS

Ms. Swindle reported that the implementation date of new regulations from BOEMRE is November 15, 2011.

- Ms. Swindle reported on the ongoing efforts to assist industry – Operators and Contractors – in preparing for the new SEMS regulation (30 CFR 250, subpart S) going into effect 15 November 2011. Dr. Kelly, along with other IADC staff, has been actively involved in this endeavor being coordinated through the Offshore Operators Committee (OOC).
- The main thrust of the OOC initiative has been the development of a tool for contractors to use as they assess their internal policies, procedures and records for SEMS readiness. The tool lists more than 200 sample SEMS audit questions, each with the corresponding SEMS or RP 75 language. The tool is designed so that contractors can review each question, ask whether the subject of the question applies to them, and if “yes” determine if they are prepared to provide evidence of compliance with that portion of the regulation.
- A DRAFT copy of this tool accompanies these minutes.
- Ms. Swindle, IADC, also provided a report on comments made by Mr. Joe Levine of BOEMRE at an OOC meeting held 28 June 2011 in Robert, LA. At this meeting, Mr. Levine reviewed items he stated will be in a forthcoming NTL (Notice to Leaseholders) which clarifies some items in the SEMS regulations:
- Highlights of Mr. Levine's comments:
 - In language of SEMS regulation, the word “You” can be read as “Operator/Lessee.”
 - Hazards Analyses (HA) are required for all facilities as of 15 November 2011. This does not mean that NEW HA must be done, however. Companies may use already existing HA if they are current and up-to-date.

- If a MODU changes locations, but there are no significant changes to the operations carried out, then a new HA is not required for each new location.
- A Job Safety Analysis (JSA) should include identified hazards for the job and the steps that will be taken to mitigate those hazards.
- MOC for “personnel changes” will not apply to routine tower/shift/rotation changes.
- Requirements for “initial start-up” should be read as applying to any “re-start” of a facility.
- The NTL will provide some examples of contractor selection criteria: review of safety records, review of training activities/standards, review of company audits, etc.
- It is okay for an operator to adopt a contractor’s Safe Work Practices. There needs to be a letter of agreement signed before any work transpires, however.
- Operators need to be able to provide evidence of evaluating the qualifications of individual training instructors. If training is conducted at the contractor level, the contractor will need to be able to provide this evidence to Operators.
- SEMS training requirements go beyond those of Subpart O. Therefore, following 15 November 2011, BOEMRE will no longer be conducting Subpart O audits. These will be replaced by SEMS audits.
- For Operator conducted audits: Operators are required to do a complete audit of all 13 elements (office/records) PLUS field audits of at least 15% of facilities (a representative sample – not all jewels, not all same types/sizes). Both of these types of audits are required within the first 2 years and then every 3 years ongoing.
- For BOEMRE conducted audits: may take many forms – announced/unannounced, full/partial, office/field. Following a BOEMRE audit, any INC will typically have a 14 day window to rectify. Due to the size/severity of the INC, however, there may be some flexibility in that timeframe.
- For terms such as “critical” or “significant”, BOEMRE will not be providing definitions. It’s up to Operators and Contractors to determine what that means to them and their operations. [David Dykes, BOEMRE, interjected here to state, “For example, if shutting down a piece of equipment impacts the ability to carry on with the operation, that’s a good indication it’s a critical piece of equipment.”]
- Mr. Levine mentioned a few items that are expected to be included in SEMS II when it comes out for review (anticipated release for comment by end of summer 2011):
 - Ultimate/Stop Work Authority
 - Rather than “qualified and designated personnel,” use of an independent third party auditor will be required for all internal SEMS audits
- OOC is planning a series of Outreach Conferences to introduce Operators and Contractors to the tools and resources that have been developed to help with planning and implementation of SEMS programs.

Agenda Item #5: Joe Hurt, IADC – IADC Activities

- Mr. Hurt reported that the call abstracts for HSE-T 2012 Conference were due at the August. The conference planning committee meeting date will be announced later. Mr. Hurt asked the attendees for ideas and abstracts, ideas for panel submissions be sent to him.
- The IADC North Sea HSE Conference will be held in Amsterdam on 28 – 29 of September.
- Each year at this time we review the ISP Guidelines for possible revisions for 2012. IADC is asking for volunteers to serve on the ISP Task Group.
- OSHA recordkeeping is leaning towards hours exposed vs. industry standard of hours worked. Need to discuss how this will affect ISP.
- OSHA is proposing to change from the SIC industrial code from SIC to NACS code for classifying industries. In addition to these changes OSHA also is proposing to change reporting requirements. IADC has sent an announcement of this rule change and is asking for comments regarding NACS, Comments be sent to IADC by 1 September 2011. The proposed rule would change the employer reporting requirements, which

currently require a report to OSHA within 8 hours of all work-related fatalities and in-patient hospitalizations for three or more employees, to a revised reporting of work-related fatalities and all **work-related in-patient hospitalizations within 8 hours**. All work-related amputations (defined as: traumatic loss of a limb or other external body part, including fingertip bone) and lose of an eye within 24 hours.”

- Joe Hurt, IADC, updated the group on the status of a revised OSHA 10-hour course being developed by Rocky Mountain Education Center. RMEC has received a grant from OSHA to create this course. They have solicited input of experts throughout the industry. Mr. Hurt, along with IADC's Brenda Kelly and Paul Breaux, will be attending a conference about the new course in Denver 11 and 12 August. They will report on progress at the next committee meeting. This meeting will also discuss a copulation of regulations that apply to the upstream oil and gas industry as well as Oil and Gas 10 Hour Course trainers qualifications.
- Mr. Hurt also spoke of the ongoing revisions being made to API RP 2D Recommended Practice for Operation and Maintenance of Offshore Cranes. API is seeking more drilling contractor participation on the training task group. Mr. Hurt urges companies to get involved in the process for this campaign and others. For more information of how to be involved, please contact Roland Goodman, API Representative Goodmanr@api.org.
- A grant has been given to TEEX to develop an Emergency Response training program and center for the Oil and Gas Industry. The center will be located in Mesquite, Texas.

Agenda Item #6: “Compliance, a Company’s Culture” – Duncan Hunter, Transocean

- Discussed how companies can use corporate compliance to change safety culture, emphasizing on simplification and consistency.
- The presentation will be available for download on iadc.org.

Agenda Item #7: Regulatory Report – John Pertgen, IADC

John Pertgen, IADC, discussed IADC’s upcoming website changes and presented committee members with links to the Federal Regulatory Actions Impacting Offshore Drilling reports available for download on the IADC website.

- International Standards Activities affecting the Offshore Oil and Gas Industries – Posted in April and October. This report provides a handy reference to the standards development activities of various organizations (e.g., the International Maritime Organization, International Labor Organization, the International Organization for Standardization, and various international trade associations).
- Federal Regulatory Actions Impacting the Offshore Industry is posted in January and July. This report provides a reference summary that reflects the regulatory actions, announced in the Federal Register by U.S. governmental agencies, which may affect operations in the oil and gas industries.
- (Note: Both reports are available at: <http://iadc.org/committees/offshore/index.html>)

The most recent version of the Federal Regulatory Actions Impacting the Offshore Industry was posted on 6 July 2011. A few of the items highlighted by Mr. Pertgen are listed below (for a complete list, please see the full report at link above):

Department of Homeland Security

- The deadline to implement new minimum standards for Driver’s Licenses and Identification Cards has been extended to 15 January 2013.

Transportation Security Administration

- Effective 23 May 2011, any person reporting a problem, deficiency or vulnerability to transportation security will be issued a receipt.

US Coast Guard

- Gulf of Mexico and Mediterranean Sea have been added as special areas covered under stricter discharge requirements.

- Despite a Final Rule becoming effective 14 February 2011 requiring a Notice of Arrival be communicated to the National Vessel Movement Center prior to engaging in OCS activities, the USCG has said they are unable to enforce at this time due to problems with the current e-NOA form (electronic Notice of Arrival). “. . . the USCG has relented to not enforcing the failure to submit the revised e-NOA form under 33 CFR 146 for the US OCS until it is approved by OMB and the public is informed via the Federal Register.”
- The USCG system used to prioritize the inspection of Foreign Flagged MODU has been changed to a Risk-Based Targeting method.
- On 1 August 2011, a Supplemental Notice of Proposed Rulemaking (SNPRM) was issued regarding incorporating the 2010 amendments (Manila Amendments) into the STCW 1995 changes, coming into effect 1 January 2012. There will be a series of public meetings to receive comments: Miami (24 August), New Orleans (24 August), Seattle (26 August) and Washington DC (7 Sept).

Agenda Item #8: BST New Paradigms in the Prevention of Serious Injuries & Fatalities – Rob Hoyle, BST

Agenda Item #9: Ballast Water Treatment for the Offshore Drilling Industry – Peter McNaulty, N.E.I Treatment Systems

- Presentation on ballast water treatment systems and EPA/USCG regulation on aforementioned systems.

Next meeting dates:

The Environmental Subcommittee will meet 21 September 2011 at 9:00am in the 8th floor conference room at IADC office 10370 Richmond Ave. Suite 760, Houston, TX 77042.

The HSE Case Users Group will meet 30 September 2011 at 8:00 a.m. in Amsterdam, The Netherlands.

The Training Committee will meet on 19 October 2011 at OCS Group.

The next HSE Committee Meeting will be 20 October 2011 at OCS Group.

Thank you to Tony Johnson and Transocean for hosting the meeting and providing lunch. Address information and directions will be sent at a later date.

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

Meeting adjourned at 12:00 p.m.

Attendance:

Name		Company Name
H. Gene	Wilson	Aberdeen Drilling School, Ltd.
David A.	Jones	Atkins
Dana	Morales	Atwood Oceanics
Dustin	Campbell	Atwood Oceanics
Terry	Sims	BassDrill Management
Keith	Stratton	BassDrill Management
Rob	Hoyle	BST

JJ	Sos	Check-Six
Tim	Gibson	Diamond Offshore Drilling
John	Karish	Ensco plc
Bill	Winney	Falck Alford
Andy	Irwin	Falck Alford
George	Schoggin	Falck Alford
Jennifer	Cavagnol	Hercules Offshore
Joe	Hurt	IADC
John	Pertgen	IADC
Joan	Eischen	Logica North America
Richard	Grayson	Nabors Offshore Corp
John	Lund	New Tech Global
Mick	Stormonth	Risktec Solutions, Inc.
Tyler	Kerps	Rowan Companies
Matthew	Arabie	Rowan Companies
Tim	Callais	Sidewinder Drilling
John	Fitzpatrick	Transocean
Zachary	Wilson	Transocean
Christine	Thorp	Transocean
Dennis	Hayes	Transocean
Tony	Johnson	Transocean
Ian	Hudson	Transocean
Duncan	Hunter	Transocean
Earle	Findley	Well Control International
Barry J.	Cooper	Well Control School
Scott	Samuel	Well Operations for Helix