

# MAINTENANCE COMMITTEE MEETING MINUTES



**Location:** Diamond Offshore Drilling

**Date:** 13 January 2010

## ***Call to Order / Introductions:***

The Chairman, Mr. Ken Gardner, recognized Diamond Offshore Drilling for hosting the meeting and welcomed all members and thanked them for their attendance. A building security and safety briefing was given by Mr. Ian Murdoch (Diamond). A short personal introduction was then given by each attendee followed by a review of the agenda by the Chairman.

IADC Antitrust Policy and Guidelines and committee Mission Statement– Alan Spackman reviewed the IADC Antitrust Policy and Guidelines and the committee Mission Statement with the attendees.

***Review of action items:*** There were no outstanding action items.

Robert Urbanowski (Chair of the Guidelines & Reliability Subcommittee, under the IADC's Advanced Rig Technology Committee) made a brief presentation on the status of the IADC's Top Drive Reliability Survey. The downtime survey is up and running. Mike Killalea (IADC) can get interested groups who want to participate in this survey set up with a password for access on-line.

## ***Regulatory Review:***

Alan Spackman provided a brief overview of the following issues being tracked by IADC:

*Maritime Spatial Planning* – The (US) Council on Environmental Quality has issued a proposal for establishment of a framework of Maritime Spatial Planning. Under the proposal a national (Federal) planning body would be established and would be supported by nine regional planning bodies comprised of the Federal agencies in the region having ocean interests. The regions correspond to recognized marine ecosystems.

*EPA Region 4 (Atlanta) OCS Stakeholders Group* – A Stakeholder Group has been established to facilitate exchange of information regarding air permitting for OCS activities in the Eastern GoM (east of 87.5° W). IADC is participating. Issue will be further discussed in the afternoon contractor's session.

*IMO & COP 15 on Greenhouse Gasses* – COP 15 (Copenhagen) did not reach conclusion on GHG regulation. IMO will review its approach based on COP 15 results, but will likely continue along the path of a cap-and-trade system for international shipping. In IADC's view it is unlikely that MODU operations would be considered international shipping as they are subject to exclusive control of the host coastal State.

*Riser inspection* – MMS is proposing a new NTL on riser inspection. IADC will circulate.

*GHG reporting* – IPIECA, OGP and API are developing updated Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions as well Oil and Gas Industry Guidance on Voluntary Sustainability Reporting. IADC's Environmental Policy Advisory Panel is also developing voluntary survey guidelines that include GHG reporting.

*EPA non-attainment area expansion* – EPA has proposed new standards that would substantially expand non-attainment areas. These could have significant impact on E&P operations in and around metropolitan areas, such as in the area of the Barnett Shale.

*EPA certified remanufacture kits* – It was recalled that a list of EPA certified remanufacture kits for marine engines had been circulated to members. It was noted that such kits were presently available only for EMD engines, and that EMD was not the sole supplier for EMD kits. Members expressed concern regarding the lack of certified kits, or information regarding development plans for such kits, from other manufacturers' engines. Information on the EPA Marine Remanufacture Program can be found at:

<http://www.epa.gov/OMS/regs/nonroad/marine/ci/420f09003.htm>

***Main Presentation:*** Seawater scrubbing of engine exhaust (Chris Leigh-Jones – Hamworthy)

The presentation reviewed the attributes of the Hamworthy Krystallon seawater scrubber, provided information on in-service results, and looked at the potential for use off the technology on mobile offshore drilling units. A copy of the powerpoint presentation is available from the presenter via an email message sent to: cleigh-jones@hamworthy.com

**Lunch & Learn:** Marine Emissions Overview (Mauro Tagomori – Wärtsilä)

The lunch and learn presentation reviewed the attributes of the Wärtsilä's selective catalytic reduction technology and looked at the potential for use off the technology on mobile offshore drilling units. A copy of the powerpoint presentation is available from the presenter via an email message sent to: tagomori@wartsila.com. A brief presentation was also provided on Wärtsilä's oily water treatment systems and their use for both power plants and drill floor pollution control.

The Chairman thanked both Hamworthy and Wärtsilä for their frank and useful presentations.

The general committee meeting was adjourned at 1240 hrs and the contractor session convened.

**Preparations for the next meeting**

It was noted that a host was still needed for the scheduled 14 April 2010 meeting. John Pertgen will contact members to seek a host.

**Air Permitting in EPA Region 4**

There was a general discussion of the challenges associated with air permitting in EPA region 4. Among the challenges noted were:

- Lack of transparency. Best Available Control Technology (BACT) is being evaluated on a case-by-case basis by different operators, with differing participation by both operator and drilling contractor personnel. Lack of standardization is a problem, yet it is anticipated that EPA review will give consideration to the technologies that have been previously submitted for acceptance.
- BACT under the EPA Prevention of Serious Deterioration Regulations is not applied to nonroad engines (subject to residency restrictions) in onshore situations, why is it seemingly being applied in the offshore situation.
- There is some frustration with the view that environmental contractors may be driving the process.
- There appears to be some interest in pushing the responsibility for the air permit to the contractor.

It was recommended that IADC hold a meeting of interested contractors to discuss this issue.

Meeting adjourned – 14:15 hrs.

**Attendance:**

Name		Company Name
Bob	Gonzalez	Caterpillar Inc.
Ian	Murdoch	Diamond Offshore Drilling
Frank	Breland	Diamond Offshore Drilling
Thomas	Geiger	Diamond Offshore Drilling
Don	Howard	Diamond Offshore Drilling
Tri	Le	Diamond Offshore Drilling
Tri Jr.	Le	Diamond Offshore Drilling

Bob	Blank	<b>Diamond Offshore Drilling</b>
Ronald	James	<b>Diamond Offshore Drilling</b>
Stephen	Fuchs	<b>Diamond Offshore Drilling</b>
Andy	Young	<b>Diamond Offshore Drilling</b>
Pete	Pilon	<b>Hamworthy</b>
Chris	Leigh-Jones	<b>Hamworthy</b>
Eddie	Clark	<b>Hess Corporation</b>
Alan	Spackman	<b>IADC</b>
Denis	Adams	<b>Pacific Drilling</b>
Mark	Andrews	<b>Parker Drilling</b>
Robert	Urbanowski	<b>Precision Drilling Oilfield Services Corporation</b>
Bobby	Warren	<b>Seadrill Americas</b>
Garry	Davis	<b>Seadrill Americas</b>
Barry N.	Priest	<b>Seadrill Americas</b>
Ken	Gardner	<b>Transocean</b>
Geoff	Evans	<b>Transocean</b>
Douglas	Robertson	<b>Transocean</b>
Jillian	Higgins	<b>Transocean</b>