



MAINTENANCE COMMITTEE MEETING MINUTES

8 October 2014

Location: IADC - Crown Center 1 & 2 Conference Rooms

Call to Order:

The committee was welcomed by the IADC Maintenance Committee Chairman, Mr. Frank Breland (Diamond). A building security and safety briefing was given by Mr. John Pertgen (IADC).

IADC Antitrust Policy and Guidelines and Committee Mission Statement:

The Chairman stressed the importance of the committee Mission Statement with the group. Mr. Pertgen provided a review of the IADC Antitrust Policy and Guidelines and stated that the full policy is available on IADC's webpage.

Asset Integrity Conference update: Stephanie Carling (IADC) provided a summary of the feedback from the 2014 Asset Integrity Conference. She stated that there was an overall very positive stance from the participants for this type of conference. Therefore, this conference will be expanded to a two-day event for 2015. A copy of the proposed topics for the abstract request message (that is to be sent out soon) was reviewed with the meeting attendees, along with a solicitation for any meeting attendee that wanted to become an additional member of the conference planning committee. Ms. Carling displayed the draft conference logo and asked for suggestions from members (even other photos) that may be used in place of the selected draft depiction.

Introductions / Agenda:

Each attendee provided an introduction of them self and their company affiliation.

The Chairman provided an overview of the proposed agenda for this meeting.

Regulatory Review / Update:

John Pertgen (IADC) provided the Committee with information about the two IADC-published semi-annual regulatory reports on the revised IADC website:

1. International Standards Activities affecting the Offshore Oil and Gas Industries --
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).
2. Federal Regulatory Actions Impacting the Offshore Industry –
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://www.iadc.org/offshore-operating-division/reports/>)

Mr. Pertgen then reviewed the following highlights from the National Federal Summary with the committee:

U.S. Coast Guard

Offshore Supply Vessels of at least 6000 GT ITC. (USCG-2012-0208). (RIN 1625-AB62; 46 CFR 2, 15, 61, 62, 110, 111, 125 thru 132, 134, and 174) On 18 August 2014 ([79 FR 48893](#)) the USCG issued an Interim Rule with a request for comments. This rule is issued to ensure the safe carriage of oil, hazardous substances, and individuals other than crew by requiring US-flagged OSVs of at least 6000 gross tonnage (measure under Convention Measurement System or ITC) to comply with existing regulatory requirements and international standards for design, engineering, construction, operations and manning, inspections and certification. This rule also affects any vessel of at least 500 GT under the Regulatory Measurement System where the owner wishes to have their vessel certificated as an OSV. The USCG intends to finalize this interim rule after considering, and incorporating to the extent appropriate, any comments from the public. Comment due date: 17 November 2014

Workplace Safety and Health for Merchant Mariners (USCG-2014-0014). (RIN not listed; 33 CFR 140, 142 and 150; 46 CFR 197) On 8 May 2014 ([79 FR 26391](#)) the USCG issued a request for comments on a petition for rulemaking. The petition from the National Mariners Association asserts that the USCG has failed to provide adequate workplace safety and health measures to protect the limited tonnage merchant mariners. Comment due date: 6 August 2014

Proposed Rule Consumer Price Index Adjustments of OPA 90 Limits of Liability—Vessels, Deepwater Ports and Onshore Facilities On August 19, 2014, the USCG published a FRN proposing to increase the limits of liability for vessels, deepwater ports, and onshore facilities, under the Oil Pollution Act of 1990, as amended (OPA 90), to reflect significant increases in the Consumer Price Index (CPI). According to the notice, they are also proposing a simplified regulatory procedure for the Coast Guard to make future required periodic CPI increases to the OPA 90 limits of liability for vessels, deepwater ports, and onshore facilities. These regulatory inflation increases to the limits of liability are required by OPA 90, and are necessary to preserve the deterrent effect and “polluter pays” principle embodied in OPA 90. Finally, they are proposing language to clarify applicability of the OPA 90 vessel limits of liability to two categories of tank vessels, edible oil cargo tank vessels and tank vessels designated as oil spill response vessels. This clarification to the existing regulatory text is needed for consistency with OPA 90. Comments are due on or before October 20, 2014. API will not file comments.

IADC plans to submit comments on this rulemaking as it fails to include the MODU exception to the single hull higher fee stated in the preamble of the final (interim) rule.

Training of Personnel and Manning on Mobile Offshore Units and Offshore Supply Vessels Engaged in U.S. Outer Continental Shelf Activities. (USCG-2013-0175) (RIN 1625-AC10; 33 CFR 140 thru 147 and 46 CFR 10 thru 15) 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.

On 9 July 2014 ([79 FR 38841](#)) the USCG issued an extension to the comment period. New comment due date: 8 September 2014.

[On 5 September 2014 IADC submitted [comments](#) on this notice]

Implementation of the 1995 Amendments to the International Convention on Standards of Training, Certification, and Watchkeeping (STCW) for Seafarers, 1978. (USCG-2004-17914) (RIN 1625-AA16; 46 CFR 5, 10, 12 and 15) On 26 June 1997 ([62 FR 34505](#)) the USCG issued an **Interim Rule**, effective 28 July 1997, implementing the 1995 STCW amendments. This rule differed significantly from the preceding NPRM; accordingly, the USCG sought comments on the rule. The comment period closed on 23 December 1997. On 25 July 1997 (62 FR 40139), the USCG issued a correction to the interim rule. On 28 July 1997 (62 FR 40281), another correction was issued. Because the IMO is still developing interpretations and procedural corrections to the STCW Convention, additional changes to the rule can be anticipated. A final rule affirming the interim rule was to be issued in December 1999, was rescheduled for February 2002 to coincide with the international entry into force, and subsequently rescheduled for February 2003.

On 24 December 2013 ([78 FR 77795](#)) the USCG issued a **Final Rule**, which implements the 2010 Manila Amendments to the STCW Code & Convention. These STCW amendments came into force on 1 January 2012, but are not self-implementing. This final rule also makes other changes not required by the STCW Convention and Code, but that the USCG felt were necessary to reorganize, clarify and update the regulations. Effective date: 24 March 2014.

On 17 September 2014 ([79 FR 55657](#)) the USCG issued some correcting amendments to the final rule, which included 46 CFR 11.705 (removed paragraph (f)) and 11.711 (revised paragraph (c)). Effective date: 17 September 2014.

Federal Motor Carrier Safety Administration (FMCSA)

Revision to an Approved Information Collection: Hours of Service of Drivers Regulations (FMCSA-2014-0189) (RIN not listed; CFR not listed) On 12 September 2014 ([79 FR 54776](#)) FMCSA issued a notice with a request for comments as they want to revise and extend the Information Collection Request for the Hours of Service (HOS) of Drivers Regulations that has been submitted to OMB. Comment due date: 14 October 2014

Pipeline and Hazardous Materials Safety Administration (PHMSA)

Hazardous Materials: Revisions of the Emergency Response Handbook (PHMSA-2014-0099) (RIN not listed; CFR not listed). On 2 September 2014 (79 FR 52106) PHMSA issued a notice with a request for comments regarding any interests in revising the Emergency Response Guidebook (ERG) as they develop the 2016 version (ERG 2016). The ERG is for use by emergency response personnel, who provide initial response to hazmat incidents. This group will include agencies in the US, Canada and Mexico. Point-of-contact is Suzette Paes at (202) 366-4900 or suzette.paes@dot.gov.

Environmental Protection Agency (EPA)

–Toxic Substances Control Act

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.

On 19 May 2014 the EPA issued an ANPRM to develop an approach to obtain info on chemical substances and mixtures used in hydraulic fracturing. Comment due date: 18 August 2014.

On 14 July 2014 EPA issued an extension ([79 FR 40703](#)) to the ANPRM's comment due date. New comment due date: 18 September 2014

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

Re-proposal of an NPDES General Permit for Oil and Gas Geotechnical Surveying and Related Activities in Federal Waters of the Beaufort and Chukchi Seas. (RIN: not listed; CFR: not listed) On 15 August 2014 ([79 FR 48147](#)) the EPA issued a Notice of re-proposal of general permit, proposes their changes to the NPDES General Permit for Oil and Gas Geotechnical Surveying and Related Activities in Federal Waters of the Beaufort and Chukchi seas (AKG-28-4300). EPA is seeking comments on the following proposed changes:

- Inclusion of seasonal prohibitions on wastewater discharges specific to the 3 – 25 miles lease deferral area in the Chukchi Sea
- Clarification of drilling fluid testing requirements (Discharge 001)
- Clarification of Environmental Monitoring Program requirements and inclusion of language regarding pre-existing baseline data
- Revision of sampling frequencies for fecal coliform and total residual chlorine (Sanitary Wastewater, Discharge 003)
- Clarification of Notice of Intent submission requirements.

Comment due date: 15 September 2014

API REGULATORY UPDATE

Next Mr. Pertgen reviewed the following highlights from Holly Hopkins' API update with the committee:

API S53 Blowout Prevention Equipment Systems for Drilling Operations

The API 53 task group met on June 9, 2014, to begin work on an addendum to the 4th edition of the standard. The following will be sources of proposed changes/additions:

- Compliance assessment spreadsheet;
- responses with interpretations of API 53;
- comments from previous ballots of API 53;
- comments from other task groups, e.g. 16C, 16A, 16D;
- recommendations from industry (operators, drilling contractors, manufacturers, service companies, etc.)

The last meeting has held October 1, 2014.

API RP 2D Operation and Maintenance of Offshore Cranes

- The document has been submitted for final editing with publication expected by the end of the year.

API RP 75 Recommended Practice for Development of a Safety and Environmental Management Program for Offshore Operations and Facilities

- Sandi Fury, Chevron, is the chair of the RP 75 revision workgroup. Revision meetings have been held February 26, June 12, and August 14, 2013. The last meeting was September 9, in New Orleans, the next meeting will be November 4 in Houston.

API Specification 16AR Drill Through Equipment Repair and Remanufacturing

- A task group has been formed to create a new document on the repair and remanufacture of BOPs, similar to Annex B of 16A. Annex B is being removed from 16A. (Contact Jan van Wijk jan.vanwijk@shell.com or Chris Johnson chris.johnson@nov.com)

API Spec Q2 Specification for Quality Management System Requirements for Service Supply Organizations for the Petroleum and Natural Gas Industries (1st Edition)

- The 1st edition of Spec Q2 was published December 15, 2011. This is a specification for Quality Management System Requirements for Service Supply Organizations, to identify the expectations for execution of upstream services including well construction, intervention, production and abandonment. Beta Test Site Assessments occurred in 2013. Audits will begin in 2014. (Contact Stacey Hagen stacey.w.hagen@exxonmobil.com)

New API document on Life Cycle Management

- A task group has been formed to create a life-cycle management system document for use in conjunction with products and/or standards used in the oil and gas industry. The document should provide the means of identifying the continued compliance of a product to its original and/or current manufacturing and design requirements and the ability to demonstrate product compliance to original and/or current product standards and industry/product-specific technical and regulatory requirements throughout the product lifecycle. The document is under development. (Contact Mike Briggs Michael.Briggs@c-a-m.com)

National Offshore Safety Advisory Committee meeting (NOSAC)

- The next National Offshore Safety Advisory Committee (NOSAC) Meeting will be November 19 in Houston.
- A conference call of the Committee was held on September 24, 2014 on Marine Casualty Reporting.
- The following Subcommittees are active:
 1. Offshore Supply Vessel and Offshore Worker Purpose and Definition (Patrice Delatte pdelatte@tdw.com and Phil Smith phil.miller@subsea7.com are co-chairs)
 2. Training of Personnel and Manning on Mobile Offshore Units and OSVs on the OCS (Warren Weaver Warren.Weaver@deepwater.com Gene Facey gfacey@msn.com Chris Woodle CWoodle@chevron.com and Bob Burnett are co-chairs)

USCG Pending Rulemaking

- Final Rule - Revision of Crane Regulation Standards for MODUs, OSVs, and Floating (OCS) Facilities. On May 13, 2013, USCG published NPRM to revise regulations related to the design, certification, inspection, and testing of cranes. Comments were due by August 12, 2013.
- Final Rule - USCG MODU Electrical Equipment Certification Guidance. On June 24, 2013 USCG announced proposed regulatory changes applicable to foreign MODUs, floating facilities, and vessels that engage in OCS activities for the first time after the effective date of the regulations. The NPRM proposes to require 3rd-party testing & certification of electrical equipment in hazardous locations on certain vessels regardless of flag administration. Comments were due November 30, 2013.
- NPRM USCG SMS – On September 10, 2013, the USCG published an ANPR announcing their intent to promulgate regulations that will require vessels engaged in OCS activities (defined in 33 CFR Chapter I, Subchapter N) to develop, implement, and maintain a vessel-specific Safety and Environmental Management System (SEMS) that incorporates the management program and principles of API's Recommended Practice for Development of a Safety and Environmental Management Program for Offshore Operations and Facilities, Third Edition, May 2004 (API RP 75). Comments were due January 23, 2014.
- Final Rule - Marine Casualty Reporting on the OCS. On January 10, 2014, the USCG published a NPRM on Marine Casualty Reporting on the OCS. Comments were due by April 10, 2014. API did not submit comments.
- Final Rule - Harmonization of Standards for Fire Protection, Detection, and Extinguishing Equipment. On January 13, 2014, the USCG published a NPRM to amend its regulations for certain design and approval standards for fire protection, detection, and extinguishing equipment on inspected and uninspected vessels, outer continental shelf facilities, deepwater ports, and mobile offshore drilling units. Comments were due by April 14, 2014. API submitted comments.
- Proposed Rule on Dynamic Positioning

BSEE ACTIVITIES

ANPRM Helideck and Aviation Fuel Safety for Fixed Offshore Facilities

- On September 24, 2014 BSEE published an Advanced Notice of Proposed Rulemaking (ANPRM) seeking comments on improving safety for operations related to helicopters and helidecks on fixed offshore facilities. BSEE invited comments on whether to incorporate in its regulations certain industry and/or international standards for design, construction, and maintenance of offshore helidecks, as well as standards for aviation fuel quality, storage and handling. BSEE also invited comments on whether it should incorporate existing standards, with modifications, and/or develop and propose new government regulatory standards for safety of helidecks and aviation fuel systems. As an alternative to incorporating or developing such standards, BSEE invited comments on whether to require submission of aviation-related safety plans for helidecks and offshore aviation fuel systems on OCS facilities. BSEE also seeks information on past accidents or other incidents involving helidecks, helicopters, or aviation fuel on or near fixed OCS facilities. BSEE asked 12 specific questions to be answered and made clear this rulemaking was on FIXED

facilities, not floating facilities under USCG jurisdiction. Comments are due November 24, 2014. API is reviewing and plans to file comments.

BSEE Technical Review of Bolting Failure

- On August 11, 2014, BSEE released a technical review following the failure of connectors and bolts used in critical equipment. The technical review, entitled Evaluation of Connector and Bolt Failures, was completed by the bureau's Quality Control-Failure Incident Team (QC-FIT) and submitted to BSEE Director Brian Salerno. BSEE will continue to monitor information related to the performance of connectors and bolts, and will update this technical review as new information becomes available. API reviewed the report and drafted a response letter to BSEE. The letter is in review within API.

Offshore Well Control Workgroup

- In August API formed an Offshore Well Control Workgroup on preparation for the BSEE proposed rule on Well Control. API has reached out to other trades (IADC, OOC, NOIA, IPAA, US O&G) to coordinate efforts on this rulemaking. The workgroup is comprised of Operators, Drilling Contractors and OEMs and will help prepare for a meeting with OMB on the NPRM and prepare comments on the rulemaking.

BSEE Pending Rulemaking

- BOEM/BSEE Proposed joint rulemaking on Arctic specific operations
- BSEE Proposed Rule on BOPs/Well Control
- BSEE Final Rule on Production Safety Systems - Subpart H

OTHER ACTIVITIES OF INTEREST

Bureau of Transportation Statistics (BTS) Confidential Near Miss Reporting Program

- In August 2013 BSEE announced a cooperative agreement with BTS to form a Confidential Near Miss Reporting System. API and COS have been meeting with BSEE and BTS since early 2014 to discuss this program. BTS published a FRN soliciting comments on an Information Collection Request they filed with OMB. API filed comments. Beta Testing will occur on October 8 with BTS on their ICR form prior to publication in the FR.

Main Presentation: ISO Standard 55000 was presented by Mr. Bob Peffen (Emerson Process Management). His presentation included the following areas of interest:

- Explaining what "Asset Management" really means
- History of ISO 55000 - *Asset Management Standard*
- Key requirements for compliance with the ISO standard
- Anticipated benefits of using the ISO standard

Copies of this presentation can be obtained by corresponding directly with the presenter. (peffenb@mrgsolutions.com)

Lunch & Learn Presentation: Cathodic Protection Systems was presented by Mr. Patrick Robinson (Wilson Walton International)

Mr. Robinson provided a synopsis of how the following systems operate, including the roadblocks and barriers to proper system functionality:

- Marine Growth Prevention system
- Impressed Current Cathodic Protection system
- Sacrificial Aluminum and Zinc anodes

Copies of this presentation can be obtained by corresponding directly with the presenter. (patrick@wilsonwalton.com)

AFTERNOON SESSION*****

Caterpillar Brad Devorak (CAT) provided an update on the current Caterpillar improvements and other issues of interest to our industry. Copies of Caterpillar's presentation can be obtained via email request directly to the presenter. (Devorak_Brad_C@cat.com)

National Oilwell Varco Report out from NOV by Shaun Firenza and Greg Soape. Copies of Caterpillar's presentation can be obtained via email request directly to the main presenter (Shawn.Firenza@nov.com)

The NOV representatives reviewed the list of issues that focused on:

- Manufacturing Quality
- Availability Lead time
- Consistency between NOV groups
- MOC software
- Product Development Process

The committee asked the NOV representatives to provide specific details about the current status of their actions pertaining to a particular issue, which was pointed out and shared by many in the room, at the next meeting.

Election for 2015 Chairman:

Mr. Pertgen opened the floor for nominations for Chairman of the IADC Maintenance Committee for 2015. One member (J Marshall) nominated Frank Breland (Diamond Offshore) and it was seconded (C Nielsen). Mr. Pertgen asked for any additional nominations. There were none. Mr. Breland was unanimously approved by the attendees as the 2015 IADC Maintenance Committee Chairman. Mr. Breland thanked the committee and indicated that his vice-chairman would continue to be Scott Fitzgerald (Seadrill Americas)

Open Forum

The Chairman indicated that he would research having one of our committee meetings in 2015 at an overseas location. [Sponsorship would be needed for a venue.]

Future Topics:

The Chairman recommended that the APRIL meeting in 2015 may include a workshop portion devoted to the topic of "critical spares."

Info Sharing:

Mr. Pertgen provided the group with info regarding the draft DNV GL RP being developed on jacking system maintenance. He further pointed out that Lloyd's Register has developed a program that addresses Counterfeit, Fraudulent and Suspect Items (CFSI) prevention and mitigation.

Adjourned: 1505 hrs.

ACTION ITEMS –

1. All committee members will bring suggestions on how to describe “critical spares” to the next meeting
2. All committee members will provide a list of actions that they have taken to reduce equipment downtime to the next meeting for a shared discussion

Meeting lunch sponsors for 2015 committee meetings held at IADC will be:

14 January 2015	-	Seadrill Americas
08 April	-	Diamond Offshore
08 July	-	TBD
14 October	-	TBD

Attendance:

Name		Company Name
Domenic	Carlucci	ABS
Tim	Mournian	ARCHER AMERICAS
Travis	Barnette	BP
Brad	Devorak	CATERPILLAR
Frank	Breland	DIAMOND
Charlie	Nielsen	ENSCO
John	Pertgen	IADC
Troy	Schwartz	LIFE CYLCE ENGINEERING
Covey	Hall	LLOYD'S REGISTER
Kim	Langer	MAERSK
Martin	Carnie	MAERSK
Robert	Peffen	MANAGEMENT RESOURCES GROUP
Donna	Odegard	MANAGEMENT RESOURCES GROUP
Gordon	Lentz	MASTER RIG INTERNATIONAL
Eric	Brown	NATIONAL OILWELL VARCO
Amanda	Kennair	NATIONAL OILWELL VARCO
Shawn	Firenza	NATIONAL OILWELL VARCO
Nathan	Kinert	NATIONAL OILWELL VARCO
Greg	Soape	NATIONAL OILWELL VARCO

Gary	Foyt	NOBLE DRILLING SERVICES
Tim	Hayes	NOBLE DRILLING SERVICES
Mike	Anatra	PARKER DRILLING
Travis	Middleton	PARKER DRILLING
Jamie	Vargas	PRECISION DRILLING
Rory	Magdaleno	ROWAN
Scott	Fitzgerald	SEADRILL
Kevin	Warren	SEADRILL
Tristan	Peyton	SUB SURFACE TOOLS
Shawn	Ullrich	TIMKEN
Mike	Pawlowski	TIMKEN
Keith	Farquhar	TRANSOCEAN
Jeff	Marshall	TRANSOCEAN
Robert	Niles	TRANSOCEAN
Kenneth	Partain	VANTAGE DRILLING
Paul	Phelan	WILSON WALTON INTERNATIONAL