

**MAINTENANCE COMMITTEE
MEETING MINUTES
9 October 2013**



Location: IADC - Crown Center 1 & 2 Conference Rooms

Call to Order / Introductions:

The committee was welcomed by the IADC Maintenance Committee Chairman, Mr. Frank Breland (Diamond), who stepped up to assume the chairman position when Mr. Ken Gardner retired. A building security and safety briefing was given by Mr. John Pertgen (IADC). This was followed by a short introduction by each attendee at the meeting.

IADC Antitrust Policy and Guidelines and committee Mission Statement:

The Chairman reviewed the committee Mission Statement with the group. Thereafter, Mr. Pertgen provided an overview of the IADC Antitrust Policy and Guidelines.

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

Regulatory Review:

Mr. Pertgen reviewed the consolidated API/IADC regulatory update that addressed the following topics:

API Bulletin 97 Well Construction Interface Document Guidelines

- The document is being prepared for publication, all negative votes were resolved.

API RP 2D Operation and Maintenance of Offshore Cranes

- The 1st ballot passed. 1 negative vote received. Comment resolution meeting will be scheduled.

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

- Margot Girouard, Apache and Sandi Fury, Chevron, have volunteered to be co-chairs off the RP 75 revision workgroup. The revision meetings have been held February 26, June 12, and August 14, 2013. The next meeting has not yet been scheduled.

New Director of BSEE

- Former USCG Vice Admiral Brian Salerno became the new Director of the Bureau of Safety and Environmental Enforcement on August 26, 2013.

BSEE Proposed Rule on Production Safety Systems - Subpart H

- On August 22, 2013 ([78 FR 52240](#)), BSEE issued a proposed rule, amending and updating the regulations regarding oil and natural gas production by addressing issues such as: safety and pollution prevention equipment lifecycle analysis, production safety systems, subsurface safety devices, and safety device testing. The proposed rule would differentiate the requirements for operating dry tree and subsea tree production systems on the OCS and divide the current subpart H into multiple sections to make the regulations easier to read and understand. In addition to the changes to subpart H, BSEE also proposed changes to the Best Available and Safest Technology (BAST) requirements in 30 C.F.R. § 250.107. API, IADC and others asked for the comment period to be extended beyond 60 days, comments are now due December 5, 2013. API has developed a comment letter specifically on the regulatory changes to BAST at 30 C.F.R.

§ 250.107, this letter will be filed separately from comments on subpart H and prior to the December 5 deadline.

BSEE BAST Workshop, Washington, DC

- BSEE public forum on Best Available and Safest Technology (BAST) has been postponed until January/February 2014. A federal register notice will be published with more details. The objective of the workshop will be to get information from participants on BAST and review the National Academies report on “Options for Implementing the Requirement of Best Available and Safest Technologies for Offshore Oil and Gas Operations”.

National Offshore Safety Advisory Committee meeting (NOSAC)

- Next NOSAC meeting is scheduled for November 13-14 in Houston at the offices of DNV, 1400 Ravello Drive, Katy, TX, 77450. Additional details will be published via Federal Register Notice sometime likely in October.
- The following active subcommittees will meet on November 13:
 1. Accommodation Service Vessels;
 2. Marine Casualty Reporting and Form 2692 Revision;
 3. Lifesaving and Fire Fighting Guidelines for the Outer Continental Shelf (OCS);
 4. Certification of Electrical Equipment in Hazardous Areas on foreign flag MODUs;
 5. Lift-boat Sea Service Time; and
 6. Commercial Diving Safety on the OCS

USCG: Final rule- Nontank Vessel Response Plans and Other Response Plan Requirements

- On 30 September 2013 ([78 FR 60100](#)), the USCG published a final rule on nontank vessel response plans and other response plan requirements. This final rule is effective October 30, 2013 and requires owners or operators of nontank vessels to prepare and submit oil spill response plans. The Federal Water Pollution Control Act defines nontank vessels as self-propelled vessels of 400 gross tons or greater that operate on the navigable waters of the United States (within 12NM), carry oil of any kind as fuel for main propulsion, and are not tank vessels. The final rule specifies the content of a response plan and addresses, among other issues, the requirement to plan for responding to a worst case discharge and a substantial threat of such a discharge. Additionally, the final rule updates the international Shipboard Oil Pollution Emergency Plan requirements that apply to certain nontank vessels and tank vessels and requires vessel owners or operators to submit their vessel response plan control number as part of already required notice of arrival information.

USCG ANPR on SEMS

- The USCG published an Advanced Notice of Proposed Rulemaking (ANPR) on 10 September 2013 ([78 FR 55230](#)), 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). The USCG intends for the SEMS to be developed and implemented by the vessel’s owner or operator and compatible with a designated lease operator’s SEMS required under BSEE regulations. The USCG is seeking comments on whether a SEMS that incorporates the management program and principles of API RP 75 is appropriate for vessels engaged in OCS activities, would reduce risk and casualties, and improve safety on the OCS. Comments should address the feasibility of implementing a SEMS that incorporates API RP 75, the compatibility with BSEE SEMS regulations, potential methods of oversight, safety issues, costs and regulatory burdens, and other issues of concern to the regulated community and general public. The Coast Guard would use such comments to assist in developing these new regulations. Comments are 9 December 2013. API plans to submit comments.

USCG - Marine Safety Manual revisions

- On 8 August 2013 ([78 FR 48696](#)), the USCG published a Notice announcing the availability of a draft update to the Marine Safety Manual (MSM), Volume III, Marine Industry Personnel, and the corresponding Commandant Change Notice that highlights the changes made to that manual. MSM Volume III provides information and interpretations on international conventions and U.S. statutory and regulatory issues relating to marine industry personnel. This Commandant Change Notice discusses the substantive changes to chapters 20 through 26 of MSM Volume III. The Coast Guard was seeking comments on the draft before issuing a final version of the manual. Comments were due 8 October 2013. API did not file comments.

USCG - Consolidation of Officer in Charge, Marine Inspection (OCMI) For Outer Continental Shelf Activities, Eighth Coast Guard District

- On 7 August 2013 ([78 FR 48180](#)), the USCG published a FRN announcing they were considering establishing a single Officer in Charge, Marine Inspection (OCMI) to oversee marine inspection activity for all MODUs and floating outer continental shelf (OCS) facilities (such as FSUs) engaged directly in, capable of engaging directly in, or being constructed to engage directly in oil and gas exploration or production in offshore waters of the Eighth Coast Guard District. Currently, these units are subject to inspection by six separate OCMI offices within the District, depending upon where the unit is located. There are various ways in which the reorganization could be accomplished. Comments on the proposal were due by 6 September 2013. API filed comments jointly with the Offshore Operators Committee (OOC).

USCG MODU Electrical Equipment Certification Guidance – Notice of Policy/NPRM

- On 24 June 2013, ([78 FR 37760](#)) the USCG published a Notice announcing proposed regulatory changes (NPRM). The proposed subpart would be 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. The NPRM would also expand the CG's list of acceptable national & international explosion protection standards for electrical equipment located within hazardous locations, and the proposal also adds the Certification to Standards Relating to Equipment for Use in Explosive Atmospheres (IECEX System) as an accepted method for testing & certifying electrical equipment intended for use in hazardous locations.

The proposed applicability includes: 1. NEW U.S. MODUs, floating facilities, and vessels; 2. FOREIGN MODUs, floating facilities, and vessels that have NEVER operated on the U.S. OCS; and 3. It may be used by existing US MODUs, floating facilities, vessels, and tank vessels.

The comment period was extended to 30 November 2013.

USCG – NVIC Implementing MLC 2006

- On 30 July 2013 ([78 FR 9709](#)), the USCG issued a NVIC intended to provide guidance for Coast Guard marine inspectors, Recognized Classification Societies (RCS) that are authorized to issue international convention certificates on behalf of the Coast Guard, and U.S. vessel owners/operators on the U.S. laws and regulations, or other measures, conforming to the provisions of Reference (a). Through the NVIC, the Coast Guard established a voluntary inspection program for vessel owners/operators who wish to document compliance with the standards of the Maritime Labour Convention, 2006 (MLC). United States commercial vessels that operate on international routes, meaning those ships that will enter the ports of countries that are parties to the MLC, are encouraged to participate.

USCG STCW Security Related Endorsements

- The USCG National Maritime Center (NMC) issued an announcement reminding mariners on US-flag vessels of 500 gross tons or more sailing beyond the boundary line (unless the vessel is exempt from the STCW Convention) that, effective 1 January 2014, they are required to have

appropriate endorsements if they are "vessel personnel with designated security duties" (VPDSD) or vessel personnel requiring security-awareness training. The requirements are discussed in greater detail in CG-CVC Policy Letter No. 12-06 of 11 October 2012.

Future Rulemakings

- BOEM/BSEE Proposed joint rulemaking on Arctic specific operations
- BSEE Proposed Rule on BOPs

International Association of Drilling Contractors- John Pertgen (IADC) provided the Committee with information about the two IADC-published semi-annual regulatory reports:

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/iadc-committees/iadc-offshore-operating-division/offshore-reporting/>)

Mr. Robert Urbanowski (Precision) pointed out that the Texas Railroad Commission, who handles regulatory matters for land drilling in most areas of Texas, will require all well control equipment be consistent with API Standard 53 in proposed ruling expected to go into effect on 01-Jan 2014. He further indicated that this action will require a certification through an independent company that tests blowout preventers, stacks and casings.

Caterpillar Jim Cue (CAT) provided an update on current Caterpillar improvements.

Main Discussion:

The committee members had a group discussion to identify issues regarding National Oilwell Varco (NOV) equipment for offshore and land rigs, including the specific equipment involved. The Chairman facilitated the lengthy discussion and will compile a prioritized list for the group to review by 23 October 2013 (ACTION ITEM). This list is planned to be reviewed and accepted by the working group prior to the Chairman presenting it to NOV at our next Maintenance committee meeting in January 2014.

2014 Committee Chairman Election

The floor was opened for nominations. One member nominated Frank Breland, and another member seconded that nomination. Other nominations were solicited but none were submitted. All members in attendance agreed to Mr. Breland as Chairman for 2014.

Mr. Breland thanked the group for electing him and offered the following 2014 goals for the committee from his standpoint:

1. Develop and address issues with NOV - create an action plan and implement it in 2014
2. Develop a presentation from the Committee for the 2014 Asset Integrity Conference
3. Develop and adopt an action plan for EMD issues - similar in format to the current, ongoing plan with Caterpillar
4. Topics for Meetings - find and schedule industry informative presentations concentrating on topics that will enhance maintenance as it relates to improving efficiency and safety.

Topic for future meetings-

Mr. Pertgen reiterated that members can recommend any topics or speakers for our committee meetings. These can come from within or without of the offshore industry. Bobby Warren with Seadrill, suggested a presentation based on acoustic wave technology in lieu of vibration analysis. This technique has provided some successful results with his company.

Open Forum

No issues

Adjourned: 1230hrs

ACTION ITEMS

1. Chairman to develop prioritized list of NOV equipment issues and disseminate to the working group for comments no later than 23 October 2013.

Meeting lunch sponsors for 2013 committee meetings held at IADC are:

08 January 2014	-	Diamond Offshore
09 April	-	TBD
09 July	-	TBD
08 October	-	TBD

Attendance:

Name		Company Name
Jim	Cue	Caterpillar
Frank	Breland	Diamond Offshore Drilling, Inc.
John	Pertgen	IADC
Richard	Sporn	Noble Drilling Services Inc
Michael	Anatra	Parker Drilling Company
John	McInerney	Patterson UTI
Robert	Urbanowski	Precision Drilling Oilfield Services Corporation
Kevin	Warren	Seadrill Americas
Bobby	Warren	Seadrill Americas