

IADC monitors regulations affecting offshore

IADC PROVIDES THE same attention to issues affecting the worldwide offshore drilling industry as it does for onshore activities. IADC is involved with issues and initiatives ranging from regulations resulting from September 11, 2001 to jackup site assessment to ballast water management.

MARITIME SECURITY

The US Coast Guard issued temporary interim final rules to implement the Maritime Transportation Security Act (MTSA). Those rules were issued July 1, 2003, and, although they were issued as final rules, there was a comment period until July 31.



Alan Spackman

The Coast Guard announced that they intend to affirm these temporary interim final rules for the deadline in November to make them permanent.

The rules require the development of security plans for various types of vessels and offshore facilities. IADC believes it has been successful in minimizing the direct influence of these regulations on drilling contractors with the inclusion of language in the regulations that exempts most drilling operations.

However, because the Coast Guard put out these rules in such a rush, some of the language needs to be modified to more clearly define the Coast Guard's intent on not including most mobile offshore drilling units or platform rigs within the scope of the regulations. Consequently, IADC filed comments in July providing suggested changes to those regulations to more clearly define the exemptions that IADC believes the Coast Guard intended to have applied to mobile offshore drilling units.

The regulations, if applied to MODUs, would require a lot of paper work and not only in the development of a security plan but on an ongoing basis to effect

what the Coast Guard is terming a declaration of security.

IADC is still working to minimize the affect on the supply vessel operators because IADC views it as largely a paperwork exercise with implications for additional paperwork for rigs and platforms. As currently structured, every time material is picked up or delivered offshore the vessel and rig or platform would be required to attest to their continued control over security.

The rules were effective when they were written, and would require vessel and facility security plans to be submitted to the Coast Guard by December 2003, with the intent that vessels and facilities required to have such plans would have them approved by June of next year.

NATIONAL, REGIONAL PLANS

The MTSA requires the Coast Guard to develop both national and regional security plans, eventually for the vessel and facility security plans to be made consistent with the national and area plans.

The idea is that the Coast Guard would have a process in place by which it looks at the vessel and facilities nationwide and assesses, for each area, what their vulnerabilities or threats may be and then implements what it can do with existing resources to alleviate those threats. The planning committees would provide information to Congress for funding other resources to mitigate the remaining threats.

That process has just begun with an announcement by the Coast Guard in early July 2003 soliciting nominations for the National Maritime Security Committee. The nomination period closed August 8. The Coast Guard must transition its existing Port Safety Committee structure to reflect the broader responsibilities of the Area Committees under the MTSA. IADC interaction with these committees will be critical if they are to understand, and properly plan for, the security challenges of offshore operations.

INTERNATIONAL SECURITY

The US is not alone in pursuing security initiatives for offshore operations. IADC

is working directly with regulators in Europe and Canada to address their concerns regarding the security of offshore activities.

US OCS REGULATIONS

US Coast Guard OCS Activities Regulations are expected to be issued as final regulations before the end of this year. They will include workplace safety requirements that had not been previously included in regulations. They would cover the same types of items that OSHA has in its regulations although they are expected to be less prescriptive. Some of the workplace safety regulations could include hearing protection or at least some limits on sound levels, as well as regulations on confined space entry.

These regulations have been in the draft stage for about eight years, and IADC, Offshore Operators Committee (OOC) and API coordinated comments regarding the proposed regulations.

BALLAST WATER MANAGEMENT

In late July the Coast Guard proposed rules for establishing mandatory ballast water management regulations. IADC worked to assure that they have minimum impact on drilling contractors consistent with the intent of the rules to control the unintentional spread of harmful aquatic organisms.

The rules will require drilling contractors to maintain records of what they do with ballast water, but at this stage they don't appear to require any inordinate operational changes. Primarily, the Coast Guard regulations appear to acknowledge that the major activity from drilling contractors is picking up water and putting it down at the same place. IADC has worked to preserve an exemption that says that water picked up and put down in the same place is not subject to the controls.

IADC expects that the International Maritime Organization (IMO) will come out with new ballast water regulations through a new convention early in 2004. IADC is also working there to minimize the effects of those regulations on drilling contractors; however, if adopted the new convention will ultimately

require changes to vessel design practices and the installation of active ballast water treatment technology.

DRUG, ALCOHOL TESTING

IADC has made comments to the Coast Guard regarding the apparent conflicts between the Coast Guard's view and the Department of Transportation's view of the drug testing regulations as they apply to the Coast Guard. Adding to the confusion is the Coast Guard's recent transfer to the Homeland Security Department.

The problem is mainly in the post accident testing arena. The Coast Guard has a mandate to require alcohol testing within two hours of a transportation incident, and they assert that the DOT regulations don't have to be followed in doing the Coast Guard alcohol testing. However, the DOT alcohol testing regulations don't exempt Coast Guard-required tests.

Currently, a drilling contractor cannot follow the Coast Guard regulations and still be in compliance with DOT testing regulations.

IADC sent a letter last June to the Coast Guard, DOT and Executive Office of Management and Budget asserting that the DOT regulations need to be modified to reflect the Coast Guard's interpretation.

JACKUP SITE ASSESSMENT

Since it was founded, IADC's Jackup Rig Committee has been diligently working to provide improvements to the proposed ISO standard on Site Specific Assessment of Mobile Offshore Drilling Units (ISO 19905).

A draft international standard is expected to be issued by the end of the year.

It means that for the first time there will be an international standard addressing the general principles and basic requirements for analysis of the suitability of a jackup drilling unit to work on a specific offshore location.

The standard will provide guidance to ensure that the rig, as designed and maintained, is suitable for the environmental conditions it may experience on the location that is proposed.

A wide disparity of the rigor of analysis

applied for jackup site assessment drove the development of the international standard. IADC's concern remains that the analysis that is in the proposed document is going to derate rigs and restrict them from working in areas where they have traditionally worked and worked satisfactorily.

The Jackup Rig Committee provides technical input to the standard and

attempts to influence national members of ISO TC 67 to accept IADC-sponsored improvements to the proposed standard.

IADC is also a voting member of the US Technical Advisory Group, which allows IADC to directly influence the US position on this and other standards developed by ISO TC67. ■