

IADC tends to worldwide offshore regulations

WHILE IADC CHAMPIONS the interests of the onshore drilling industry, the worldwide offshore industry given the same attention. Regulation of offshore drilling rigs becomes complicated very quickly due to their complex architecture and inherent mobility. IADC offshore regulatory initiatives encompass local and global regulation related to safety, environment, rig design, and personnel training and competence.

EPA

IADC persuaded EPA to defer regulations on cooling-water intake that would have required upgrades costing \$1.5 million per rig for MODUs operating on new leases. Had the rule been issued as originally proposed, no MODU could have worked on new leases without costly modifications, such as redesigning sea chests and installing mammoth strainers on submersible pumps to cut cooling water intake volumes or velocities.

IADC identified the problems in the proposed rules and garnered support from API, OOC and others to oppose their imposition on offshore oil and gas facilities. EPA acknowledged that they had not anticipated the possible impact of the rules, as proposed, on offshore oil and gas activities.

However, these proposals were deferred, not abandoned. The deferral should allow additional study of regulatory options. IADC is now working to obtain information from its members that it hopes will cause EPA to consider regulation of cooling water uptake by MODUs as infeasible.

CARGO HANDLING

An IADC Task Group under the leadership of **Marion Woolie, GlobalSantaFe**, developed guidelines for cargo handling in the Gulf of Mexico. The guidelines are aimed at assisting offshore operators and contractors to develop safe work practices for packaging and transporting cargo to and from offshore facilities.

Cargo handling constitutes about 7% of injuries to offshore rig employees, according to IADC statistics. This new guidance addresses the historically contentious issues of pre-slinging of loads and minimizing personnel transfer for the purpose of handling cargo. The recommendations set forth minimum requirements from both regulation and industry "best practices".

POLLUTION REGULATIONS

IADC persuaded EPA to make key changes to its new National Pollution Discharge Elimination System (NPDES) permit for oil and gas discharges in Texas coastal waters. Two of the changes clarify the types of desalination unit discharges and uncontaminated water discharges allowable under the permit, which provide additional operational flexibility and reduce the possibility of unwarranted enforcement. Another change reinstates language contained in earlier permits requiring that permittees take reasonable steps to assure their contractors do not discharge regulated pollutants unlawfully. This change provides contractors a defense against EPA sanctions when they are not informed of permit conditions by the permittee.

IADC urged the Texas Natural Resources Conservation Commission (TNRCC) to reconsider its decision to require vessels to obtain Texas Pollution Discharge Elimination System (TPDES) permits for operational discharges in Texas State waters. IADC intervened on behalf of its members and other vessel operators because it is administratively impossible for a vessel to obtain such a permit for routine port/shipyard visits. IADC awaits a response to the January request, but TNRCC has not been pushing the issue.

NW EUROPE HSE

IADC's North Sea Chapter is working closely with the North Sea Offshore Authorities Forum to develop a comprehensive North West European HSE Case. IADC supplied comments in April centering on environmental issues and workplace hazards.

The North Sea Chapter also established a task force to study the impact of rig

mechanization. Following a survey of NSC members, the task force is developing a risk-analysis tool for different pieces of rig automation equipment and for different rig layouts. Visits to two retrofitted rigs will help perfect the tool. HSE and the North Sea Chapter have agreed to pursue separate but parallel tracks sharing information on progress.

Additionally, the IADC North Sea Chapter formed a task force to examine handling procedures for materials shipped offshore. Under the leadership of **Jay Richardson of Transocean**, the group is conducting surveys both on cargo handling at the rig site and on the manufacture of cargo baskets.

IMO CONVENTIONS

IADC strongly opposed a proposed new Convention on Offshore Mobile Craft, and the International Maritime Organization (IMO) Legal Committee dropped the idea at its October 2001 meeting. The convention, proposed by the Comité Maritime International, would have subjected offshore contractors to another layer of redundant bureaucracy and regulation by amalgamating a number of existing agreements that targeted MODUs and similar vessels. The IMO Legal Committee determined that the issue can be re-introduced only if it is in the form of a concrete proposal from a Member State.

IADC and several other delegations formally proposed that the IMO examine accidents with lifeboats. Due to the IADC submission and others, the IMO Ship Design and Equipment Subcommittee at its March 2002 meeting developed a work plan to address this issue. Noting that most accidents occur during drills, the subcommittee agreed to assess drill requirements and to ultimately enhance safety through improved maintenance and ergonomics. The subcommittee also recognized that some craft appear safer simply because fewer drills have been performed using them.

IADC deflected away from the offshore E&P industry a US-sponsored proposal at IMO to impose on MODUs sweeping, one-size-fits-all security regulations aimed primarily at shipboard passengers and crews. While offshore security



Alan Spackman

is important to the drilling industry, as evidenced by IADC's participation on the US's Gulf Safety Committee, IADC successfully argued that defining security regulations for MODUs while on location is properly the responsibility of the Coastal State.

However, rather than address underlying security concerns and the role of government in addressing these concerns, the meeting considered a number of specific but wide-ranging initiatives proposed by the US, the costs of which would be borne primarily by the ship owner. These initiatives included:

- Accelerated implementation and expanded coverage of ship automatic identification system requirements;
- Ship and port facility security plans;
- Security training for ship and facility personnel;
- Port vulnerability assessments;
- Point-of-origin examinations of inter-

modal shipping containers

IADC won exclusions for MODUs and platforms from these proposals.

IMO is expected to adopt amendments to the Safety of Life at Sea Convention in December. The amendments will require development of security plans for all covered vessels, facilities and ports and will impact MODUs entering port.

IADC provided extensive comments on the consultative draft of ISO standard 19904 "Floating Offshore Structures Including Stationkeeping". Many of the IADC's comments centered on assuring that assumptions and decisions made during facility design are documented and available for those establishing operating guidelines and limitations for the facility.

AUSTRALIA

IADC offshore staff and Australasia Chapter contributed significantly to the Australian government team examining possible changes to Australia's offshore

energy development legislation. A major goal is consolidating regulatory authority into a national agency. IADC supports the consolidation and suggested ways to clarify jurisdictional issues under maritime legislation, governmental cost recovery, and facilitation of MODU safety case review and acceptance. In particular, IADC was able to help them learn from the experience of the UK HSE in changing policies.

Similarly, IADC has been active in revising Brazil's offshore regulatory regime. At government-sponsored workshops and in later written presentations, IADC argued that a system of regulation based on international standards is appropriate for MODUs, when supplemented by local requirements. IADC cited international standards, such as IMO's International Safety Management Code; MODU Code; Resolution A.891(21) on Training of Personnel on Mobile Offshore Units; and Classification Society Rules. ■