



IADC HSE ENVIRONMENTAL SUB-COMMITTEE MEETING

16 October 2013

Host: IADC

Agenda Item #1: Welcome, Introductions & Building Information

The IADC HSE Environmental Sub-Committee was called to order by Sub-Committee Chair, Jennifer May Guidry, Hercules Offshore. Jennifer welcomed everyone and thanked them for attending. Joe Hurt, IADC, then provided attendees with the building and emergency response information. Ms. Guidry then asked everyone to introduce themselves (see the attached attendance sheet).

Joe Hurt, IADC, reviewed the IADC Anti-trust Policy & Guidelines, calling attention to prohibited discussion topics. For a copy of the IADC Anti-trust Policy & Guidelines refer to <http://iadc.org/antitrust/>.

Agenda Item #2: General Discussion of Environmental Issues and Best Practices

Discussion was held on discharge certificate of compliance. In general the attendees agreed that this is an issue that needs to be addressed at the contract level between the contractor and the customer. Even though it is the customer's responsibility, the contractor should assist the customer by providing the vessel discharge information.

The Vessel General Permit requires new vessels (those built after July 2006) to obtain cooling water intake system certification (CWIS). Discussion was held on procedures for conducting the required inspections of the cooling water intake systems. Some attendees stated that they are using a "Video Ray" RV to conduct the inspections. They explained that the process they follow require shutting down thrusters in the area to keep turbulence down while the RV is used to inspect the CWIS. One attendee discussed the issue of delaying the inspection if the conditions do not allow for the inspection on the required dates. In general most thought that if they can document the reason for the delay, it is usually accepted.

Discussion was held on determining CWIS velocity. Some attendees indicated that they use the pressure drop across the pump to determine the intake flow velocity.

Some regions outside the US are now restricting fluid discharges and Brazil now has implemented zero discharge regulations.

Discussion was held involving APHIS (Animal and Plant Health Inspection Service) regarding waste (garbage) from food or materials that have been in contact with food from vessels entering US waters, that have not entered a US port to offload food and related wastes, which had originated in other regions of the world. Currently vessels not entering ports (to obtain a CBP Form AI-288) will have to segregate related wastes and, dispose of it at special waste facilities, for a substantial additional cost. Efforts lead by IADC and OOC are seeking to reduce this time frame to two months. The reasoning for this time period is that, by the end of two months, it was concluded that most food and related waste from areas outside the US would be used up and discharged as required. Additional information on this may be obtained by contacting John Pertgen at: john.pertgen@iadc.org.

Vessels leaving Asian areas must be inspected for the presence of Asian moths or their cocoons prior to entering US waters. One attendee commented that they hire a third party inspection company to inspect their vessels and remove the moths and cocoons just prior to leaving Asian shipyards.

Agenda Item #3: New Chair

Discussion was held seeking a new Chair for 2014 and 2015. Travis Warden, Diamond Offshore offered to be the Chair and the Sub-Committee attendees approved his selection.

Discussion was also held, and a motion accepted, to create a Vice-Chair position and since the new chair is from the offshore industry the Vice Chair should be from the Onshore industry. Precision Drilling was the only Onshore attendee and it was suggested IADC inform all it's Onshore members of the new position and request volunteers, with a selection decision to be made at the 1st Quarter 2014 meeting. Subsequent to the meeting, Precision Drilling and Patterson-UTI volunteered candidates to fill the new position.

The Sub-Committee thanked Jennifer May Guidry for her service as chair over the past two years. Travis will assume the role of Chair at the 1st Quarter 2014 meeting.

Agenda Item #4: Joe Hurt provided a briefing from slides and information provided by John Pertgen, Director Offshore Regulatory Affairs. See the following for the PPT and word document summary.

Agenda Item #5: Discussion of Environmental KPI Task Groups Recommendations

Joe Hurt presented the results of the efforts of the Onshore and Offshore Environmental KPI Task Groups (TGs). The TGs decided to limit the first year Environmental KPIs to the following:

Offshore:

1. Reportable spills to the environment.
2. Electricity Consumption per Kilowatt hour from onshore offices/warehouses and certain electric rigs (i.e., rigs that obtain power from the onshore power grid.)
3. Fuel consumption per rig type in metric tonnes: energy derived from onsite combustion. (i.e., fuel gas and diesel consumption for energy generation).
4. Number of rigs participating in the two rig categories:
 - a. Dynamic Positioned Rigs
 - b. Non-Dynamic Positioned Rigs
5. Optional data input to list number of power generating engines that are:
 - a. Tier 1
 - b. Tier 2
6. Material lost overboard that is unrecoverable (by object count).
7. To normalize the metrics, companies should use the total man-hours reported to the IADC Incident Statistics Program (ISP).

Onshore:

1. Spills are defined by the various regulatory jurisdictions that contractors operate in, and spill incidents are documented according to each organization's policies and procedures. There is no attempt herein to redefine spills or what incidents are documented.
 - o All documented spills and their volume shall be reported in 2 categories:
 - 1) Total number of spill incidents and the total combined volume of these events; and
 - 2) Number of spills and their volume that breached secondary containment.
2. Rig energy consumption (fuel): Total fuel consumption per year in gallons for power generation combustion, i.e., fuel, gas, diesel, etc. consumption for energy generation.
3. Engine Types: List number or percentage of power generating engines that are

- a. Tier 1,
 - b. Tier 2,
 - c. Natural Gas, and Other.
4. Rig Horse Power
- a. < 500
 - b. 501 to 999
 - c. 1000 to 1499
 - d. 1500 to 1999
 - e. 2000 +
5. To normalize the metrics companies should use the total man-hours reported to the IADC Incident Statistics Program (ISP).

After discussions of other types of KPIs that could be added, the attendees voted to accept the current KPIs for the initial year and then will review and address additions or other changes each year. These environmental KPI's will be presented at the 17 October 2013 HSE Committee meeting for approval.

Agenda Item #6 Meeting Close Out: Next Meeting Date and Agenda Items

The next meeting will be held on the morning of 3 February 2014, prior to the HSE – T Conference.

Members may submit suggested topics for the next meeting to Joe Hurt, IADC, joe.hurt@iadc.org.

Meeting adjourned at 11:30 a.m.

Attendance Sheet

Name		Company Name
Eric	Roan	Center for Offshore Safety
Leonardo	Desousa	Diamond Offshore
Travis	Warden	Diamond Offshore
David	Lewis	Ensco plc
Stefan	Malhotra	Ensco plc
Jennifer	Guidry	Hercules Offshore
Andra	Wilcox	Houston Advanced Research Center
Joe	Hurt	IADC
Julia	Swindle	IADC
Chris	Doremus	Maersk Drilling
Erin	Ring	Noble Drilling Services Inc
Hung	Nguyen	Noble Drilling Services Inc
Liang	Yu	Pacific Drilling
Christian	Lavallee	Precision Drilling Corporation
Seth	Lindstrom	T H Hill Associates

Dennis	Hayes	Transocean
Jim	Prewitt	Waukesha-Pearce Industries, Inc