



## **MAINTENANCE COMMITTEE MEETING MINUTES**

**9 July 2014**

***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). 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 stressed the importance of the committee Mission Statement with the group. Mr. Pertgen provided a review of the IADC Antitrust Policy and Guidelines.

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

### Regulatory Review/Update:

Holly Hopkins (API) provided the Committee with a regulatory update regarding both API documents and national governmental agencies' rulemakings and policies. A copy of this presentation is available from the presenter ([hopkinsh@api.org](mailto:hopkinsh@api.org)).

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 reviewed the following highlights from the National Federal Summary with the committee:

## **USCG**

**Notice of Arrival Exception. (USCG-2013-0797).** (RIN 1625-AC12; 33 CFR 140 and 146) on 27 June 2014 the USCG issued a **Final Rule** ([79 FR 36401](https://www.federalregister.gov/d/2014-06-27)), which amends the regulations to implement a statutory change, exempting U.S. mobile offshore units and other U.S. vessels from submitting a Notice of Arrival when moving directly from one OCS block area to another. Effective date: 27 June 2014

**Outer Continental Shelf Units- Fire and Explosion Analyses. (USCG-2013-0316).** (RIN not listed; CFR not listed) On 2 May 2014 ([79 FR 25139](#)) the USCG issued a Notice of Interim Voluntary Guidelines, which provides recommended interim voluntary guidelines concerning fire and explosion analyses for MODUs and manned fixed and floating offshore facilities engaged in activities on the U.S. OCS. Recommended Effective date: 2 May 2014

The main considerations that the USCG is addressing, which are not contained in the current regulations, are as follows:

1. Minimum values are needed for explosion design loads for use in calculating the required blast resistance of structures
2. Explosion risk analysis of the design and layout of each facility should be performed to identify high risk situations
3. H-60 rated fire boundaries between the drilling area and adjacent accommodation spaces and spaces housing vital safety equipment may be necessary dependent on the arrangement of the facility
4. Uniform guidelines for performing engineering evaluations to ensure adequate protection of bulkheads and decks separating hazardous areas from adjacent structures and escape routes for likely drill floor fire scenarios are necessary
5. Performance-based fire risk analysis should be used to supplement the prescriptive requirements in the MODU Code; such analysis should use defined heat flux loads to calculate necessary levels of protection for structures, equipment, and vital systems that could be affected by fires on the drill floor
6. Maximum allowable radiant heat exposure limits for personnel at the muster stations and lifesaving appliance launching stations in anticipated evacuation scenarios should be implemented

NOTE: The USCG has also indicated that a future rulemaking will address these issues with comments invited in connection with that rulemaking.

**IMPORTANT IADC RECOMMENDATION:** For those members that have projects planned, it is strongly recommended that you inform your project team (s) about these voluntary guidelines and the expected future rulemaking that the USCG is contemplating regarding these issues, and the likelihood of the development of similar future IMO requirements.

**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 29 May 2014 IADC submitted a [letter](#) requesting for a 60-day extension of the comment due date.]

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

**Draft Guidance for Interpreting Regulations for Marine Casualty Reporting (USCG-2013-1047)** (RIN Not listed; CFR Not listed) On 14 January 2014 ([79 FR 2466](#)) the USCG announced the availability of draft guidance in the form of a NVIC entitled “Title 46, Code of Federal Regulations, Part 4 Marine Casualty Reporting Procedures Guide with Associated Standard Interpretation.” This guide will assist regulated maritime industry stakeholders in determining if certain occurrences are reportable or not to the USCG. They are requesting public comments on the impacts that the interpretations and policies contained in the draft NVIC, available on the docket, would have upon vessel owners and operators or other affected parties. Comment due date: 14 April 2014

**Marine Casualty Reporting on the Outer Continental Shelf (USCG-2013-1057)** (RIN 1625-AB99; 33 CFR 1140 and 146 / 46 CFR 4 and 109) On 10 January 2014 ([79 FR 1780](#)) the Coast Guard issued an NPRM that proposes to broaden the regulatory requirements for reporting marine casualties that occur on the US OCS. This rulemaking would modify the currently limited reporting requirement of foreign flag OCS units to include the same requirements of US flag OCS units, in effect improving the USCG’s ability to collect and analyze casualty data for incidents on the US OCS, in the interest of maintaining and improving safety on the OCS. Comment due date: 10 April 2014. The most recent Unified Agenda indicated that a final rule is “to be determined.”

[On 10 April 2014 IADC submitted [comments](#) on this notice]

## **BSEE**

**BSEE Forms Oil and Gas Operations; Proposed Collection (BSEE-2014-0004)** (RIN not listed; CFR not listed) on 14 April 2014 ([79 FR 20897](#)) BSEE submitted a notice to the Office of Management and Budget for a revision to the paperwork requirements in the regulations under Subpart D, *Oil and Gas drilling Operations*. Of particular interest is that BSEE is proposing that all forms will now include a certification stating that false submissions are subject to criminal penalties. Comment due date: 30 June 2014.

**Blowout Prevention System** (RIN 1014-AA11; 30 CFR 250) This proposed rulemaking, which is still in the planning stages, would revise regulations related to blowout preventers (BOPs). BSEE regulations for BOPs currently consist of: (1) Field pressure and functions tests, (2) performance statements related to BOP capabilities, and (3) several industry practices related to inspection and maintenance. The industry has developed new standards for BOP design and testing that contain significant improvements to existing documents. By incorporating these new requirements into regulations and other supplemental requirements, the regulatory oversight over this critical equipment will be increased. The recent Unified Agenda indicates that an NPRM is planned for November 2014.

**NTL: Elimination of Expiration Dates on Certain NTLs** (RIN not applicable; CFR not applicable) On 28 March 2014 BSEE [NTL No. 2014-N01](#) was issued. It eliminates the expiration dates on certain existing NTLs published on the BSEE website. This NTL further clarifies that, until BSEE revises, reissues, or withdraws the published NTLs, they will continue to apply regardless of any stated expirations dates.

## **EPA**

**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 ([79 FR 28664](#)) EPA issued an ANPRM to gather information that should be reported or disclosed for hydraulic fracturing chemical substances and mixtures and the mechanism for obtaining this information. In addition, the EPA is seeking comments on ways of minimizing reporting burdens and costs and of avoiding the duplication of state and federal agency information collection, while at the same time maximizing the data available to the EPA risk characterization, external transparency, and public understanding. The EPA is also soliciting comments on the incentives and recognition programs that could be used to support the development and use of safer chemicals in hydraulic fracturing. Comment due date: 18 August 2014

**Definition of “Waters of the United States” under the Clean Water Act. (EPA-HQ-OW-2011-0880)** (RIN 2040-AF30; 40 CFR 110, 112, 116, 117, 122, 230, 232, 300, 302, and 401) On 21 April 2014 ([79 FR 22187](#)) the EPA issued a proposed rule (with the Army Corps of Engineers) defining the scope of water protected under the CWA. This proposal will increase clarity as to the scope of the “waters of the United States” protected under the Act. Comment due date: 21 July 2014.

On 24 June 2014 ([79 FR 35712](#)) the EPA issued an extension of the comment period. New Comment due date: 20 October 2014. The most recent Unified Agenda indicated that a final rule is planned for April 2015.

## OSHA

**Agency Information collection Activities; Submission for IMB Review; Comment Request; Manlifts Standard. (RIN not listed; CFR not listed)** On 20 May 2014 DOL issued a notice ([79 FR 28966](#)) that they are submitting the OSHA sponsored ICR entitled “Manlifts Standard” to the Office of Management and Budget (OMB) for review, without change. This standard (29 CFR 1910.68(e)) requires OSHA covered employers to create and maintain a certification record of each manlift inspection. It also provides that each employer must inspect each manlift at least once every 30 days and to check limit switches weekly. Comment due date: 19 June 2014.

**Underwriter’s Laboratories, Inc.; Modification of Scope of Recognition.(OSHA-2009-0025)** (RIN not listed; 29 CFR 1910.7) On 28 April 2014 ([79 FR 23379](#)) OSHA issued a final decision that expands the scope of recognition of Underwriter’s Laboratories, Inc. as a Nationally Recognized Testing Laboratory under 29 CFR 1910.7. Effective date: 28 April 2014

## FMCSA

**Hours of Service of Drivers; American Trucking Associations (ATA); Application for Exemption. (FMCSA-2013-0470)** (RIN not listed; CFR not listed) On 23 May 2014 (79 FR 29837) FMCSA issued a Notice of application for exemption with a request for comments. They received an application from the ATA for an exemption from the 14-hour provision of the Agency’s hours-of-service regulations to enable certain drivers to exclude the waiting time at a natural gas or oil well site from their calculations of on-duty time. Currently, only specially trained drivers of CMVs that are specially constructed to service oil and natural gas extraction sites may employ this provision. ATA proposes that FMCSA by a limited 2-year exemption that may be renewed, permit exclusion of such waiting time by drivers of CMVs who are exclusively engaged in servicing oil and natural gas extraction sites and have the opportunity to obtain rest while waiting at such sites. Comment due date: 7 July 2014

**Coercion of Commercial Motor Vehicle Drivers; Prohibition (FMCSA-2012-0377)** (RIN 2126-AB57; 49 CFR 385, 386 and 390) On 13 May 2014 ([79 FR 27265](#)) FMCSA issued an NPRM, which proposes to adopt regulations that prohibit motor carriers, shippers, receivers, or transportation intermediaries from coercing drivers to operate CMVs in violation of the Federal Motor Carrier Safety Regulations- including

hours-of-service limits and associated drug and alcohol testing rules, or the Hazardous Materials Regulations. Comment due date: 11 August 2014

**Electronic Documents and Signatures. (FMCSA-2012-0376).** (RIN 2126-AB47; 49 CFR 370, 371, 375, 376, 378, 379, 387, 389, 390, 391, 395, 396, and 398) On 28 April 2014 ([79 FR 23306](#)) FMCSA issued an NRPM that proposes amendments to its regulations to allow the use of electronic records and signatures to satisfy their regulatory requirements. These changes would permit the use of electronic methods to sign, certify, generate, exchange, or maintain records so long as the documents accurately reflect the info in the record and can be used for their intended purposes. This only applies to records that FMCSA obligate entities or individuals to retain. Comment due date: 27 June 2014

Jacking Gear Maintenance: Dave Forsyth (ABS)

- Current ABS Requirements regarding jacking gears
- Review of January 2014 Jacking Gear Workshop held by ABS
- Outcome recommendations from January Workshop
- For those interested in attending the upcoming summer Jacking Gear Workshop Meeting (AUG/SEP time range), please contact Mr. Dave Forsyth ([dforsyth@eagle.org](mailto:dforsyth@eagle.org))

Main Presentation: Alternative to Traditional Thermography by Scott Fray (QHI Group Inc.)

- The problem of "Arc flash"
- What is an "arc flash"
- What causes it?
- How can it be stopped?
- Mitigating solutions
- Detectable Causes of failure
- Detection of Compromised joints
- Condition Monitoring (Reactive, Preventative, Predictive)
- Selection criteria for Condition Monitoring (Contact vs non-contact)
- Next Technology Step
- Identifying Hidden Problems

Copies of this presentation can be obtained by corresponding directly with the presenter. ([scott.fray@qhigroupusa.com](mailto:scott.fray@qhigroupusa.com))

Lunch & Learn Presentation: Apologies sent by scheduled presenter.

Caterpillar Brad Devorak (CAT) provided an update on the current Caterpillar improvements and other issues. Copies of Caterpillar's presentation can be obtained via email request directly to the presenter. ([Devorak\\_Brad\\_C@cat.com](mailto:Devorak_Brad_C@cat.com))

National Oilwell Varco Report out from NOV by Shaun Firenza

Mr. Firenza reviewed the list of issues that he believes reflect the main industry issues and challenges that need to be addressed. A lengthy discussion regarding clarifications about each area then ensued.

Open Forum

It was discussed and agreed by the committee that they should lengthen the time allowed for the drilling contractor's afternoon closed session to facilitate the ongoing efforts that are being developed and maintained with the service representatives.

Future Topics:

None

Info Sharing: The committee discussed several industry issues concerning the OEM equipment on new build rigs. The issues consisted of the following:

1. Quality control during manufacturing
2. Quality of facilities used for factory acceptance testing
3. Premature failure of new equipment
4. How the industry should request more manufacturing data from the OEMs

Adjourned: 1445 hrs.

ACTION ITEMS - None

Meeting lunch sponsors for 2014 committee meetings held at IADC are:

08 January 2014	-	Diamond Offshore
09 April	-	Parker Fluids
09 July	-	Seadrill
08 October	-	Precision Drilling