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27 June 2018

Submitted via: www.regulations.gov

Office of Information and Regulatory Affairs
Ms. Shannon Joyce
725 17th Street NW,
Washington DC 20503

Re: Maritime Regulatory Reform Request for Information (Docket: OMB-2018-0002)

Dear Ms. Joyce,

The International Association of Drilling Contractors is a trade association representing the interests of drilling contractors, onshore and offshore, operating worldwide. Our membership includes all drilling contractors currently operating mobile offshore drilling units (MODUs) in the areas subject to the jurisdiction of the United States.

The purpose of this letter is to respond to the Office of Management and Budget's 17 May 2018 Notice; Maritime Regulatory Reform Request for Information. **By this response, IADC requests that:**

- **OMB extend its comment period for this Request for Information (RFI) an additional 90 days (until 16 October 2018)**
- **OMB exercise the appropriate steps to strongly encourage the Coast Guard to establish a plan/road map for acting upon the National Offshore Safety Advisory Committee (NOSAC) recommendations addressing maritime regulatory reform that were submitted to the Coast Guard on 28 March 2018.**

The below comments are offered without prejudice to those that may also be addressed or submitted directly by IADC members.

IADC is highly encouraged to see OMB's RFI regarding maritime regulatory reform. This action reflects a commitment to enhancing compliance measures that can more effectively underpin maritime safety. This RFI comes at a time when the capabilities and varieties of modern day maritime operations have outpaced the ability of existing compliance measures to proficiently administrate. Nowhere has such an evolution and regulatory challenge been more evident within the maritime industry than with the offshore energy exploration and production (E&P) segment.

The design and function of the modern day Mobile Offshore Drilling Unit (MODU) vessel has been witness to these industrial platforms evolving from rudimentary, manual labor-

intensive operations into highly automated, complex, and specialized assets. State-of-the-art industrial control systems consisting of cutting-edge software, remote real-time monitoring functions, and equipment with self-diagnostic protocols are just a few examples of the features that characterize today's offshore E&P industry. Since 2010, more than 100 industry safety standards have been created or strengthened. Significant improvements have been realized related to safety and environmental management, well-design, blowout prevention, and spill response to name a few. And yet over this same time, many of the maritime regulations intended to provide a compliance framework for offshore activities, supported by today's high-tech hardware and operational processes, have been largely neglected or forgotten. This circumstance has resulted in a "patchwork" of ancillary policies, technical notes, inspection circulars, and information bulletins to address the continually emerging compliance concerns that have come about as the industry continues to innovate. Such conditions have had the effect of diminishing the industry's confidence in the level of "regulatory certainty" otherwise considered optimal due to the absence of thoughtfully mandated provisions and inconsistent applicability of "patchwork directives."

As OMB seeks to elicit fruitful information via this RFI, IADC also takes this opportunity to draw attention to the following:

On 8 June 2017, the U.S. Coast Guard issued its Request for Comments (RFC) (Docket No. USCG-2017-0480) on *Coast Guard maritime regulations, guidance documents, and interpretative documents* that possibly lend themselves to being repealed, replaced, or modified. Related to the Coast Guard's RFC was its invitation to the NOSAC to provide subject recommendations to the Coast Guard regarding compliance provisions related to Offshore Exploration, Offshore Production, Offshore Supply Vessels, and Offshore Commercial Diving. On 28 March 2018, those requested comments/recommendations (see link below) were provided to the Coast Guard at NOSAC's 2018 Spring meeting. However, NOSAC continues to await specific feedback from the Coast Guard expressing any explicit objective(s) for progressing this effort.

<https://homeport.uscg.mil/Lists/Content/DispForm.aspx?ID=11796>

As illustrated above, the dynamic and complex nature of the offshore E&P maritime environment presents a challenge for regulators seeking to improve upon and bring about a more effective regulatory scheme. As the E&P segment of the maritime industry is but one of a number of segments that comprise the entirety of the industry, the need exists for offshore E&P stakeholders to collaborate with their stakeholder counterparts in the other industry segments when addressing this RFI. Such cooperation will be focused on addressing certain issues and common concerns in a coordinated manner to better identify current regulatory duplicity and avert "cross-purpose" recommendations that could diminish the value of the information sought. The 90-day extension requested by IADC herein will provide the time necessary to undertake this "cross functional" consideration to ensure a thorough and robust response to this RFI.

IADC appreciates the opportunity to provide the above comments and recommendations and asks that they be given due consideration. Should you have any questions about any portion of this correspondence, please contact me by phone at (713) 292-1945 Ext. 203 or by email (john.pertgen@iadc.org).

Sincerely,

A handwritten signature in black ink that reads "John Pertgen". The signature is written in a cursive style with a large, prominent initial "J".

John Pertgen
Director, Government and Industry Affairs