

**BUREAU OF OCEAN
ENERGY
MANAGEMENT
REGULATION AND
ENFORCEMENT**



SEMS FINAL RULE - SUBPART S

Review & Solutions

3/15/2011

SEMS - Important Dates

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DATE	EVENT
05/1991	API RP 75 Published
06/2006	SEMS ANPR
07/2009	SEMS NPR
10/15/10	Final Rule published
11/15/11	Effective date
03/31/11	Submit Form-131 to BOEMRE
ASAP	Conduct Hazards Analysis on <u>all</u> OCS facilities
11/15/11	Mandatory implementation of management system

Key SEMS Facts

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- It is mandatory – no longer voluntary
- Lessee needs to have SEMS plan developed, implemented and available to BOEMRE upon request by 11/15/2011
- Program approval *not* required
- **DOES NOT REPLACE** existing regulations and standards
- The keys to success are:
 - ▣ **Management commitment – absolute requirement**
 - ▣ **Get an early start - yesterday!**
 - ▣ **A multi-disciplined team approach**

Applicability - Facilities

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- ❑ SEMS applies to all OCS oil and gas facilities under BOEMRE jurisdiction.
- ❑ “**Facility**” is defined as all types of offshore structures permanently or temporarily attached to the seabed used for exploration, development, production, and transportation activities for oil, gas, or sulphur from areas leased in the OCS.
 - Fixed
 - MODU
 - FPS
 - FPSO
 - TLP
 - SPAR
 - DOI regulated pipelines

Applicability - Operations

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- ❑ SEMS applies to all OCS oil and gas operations under BOEMRE jurisdiction including;
 - ❑ Drilling,
 - ❑ Production,
 - ❑ Construction,
 - ❑ Well workover,
 - ❑ Well completion,
 - ❑ Well servicing,
 - ❑ DOI pipeline activities

Applicability - Phases

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- SEMS applies to all OCS oil and gas operations on new and existing facilities under BOEMRE jurisdiction including
 - Design
 - Construction
 - Start-up
 - Operation
 - Inspection
 - Maintenance

SEMS

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Elements

RP 75 Elements

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General Management Program Principles

Safety and Environmental Information

Hazards Analysis

Management of Change

Operating Procedures

Safe Work Practices

Training

Quality Assurance/Mechanical Integrity

Pre-Startup Review

Emergency Response and Control

Incident Investigation

SEMS Element Audit

Documentation and Recordkeeping

Job Safety Analysis (JSA) Task Level

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- ❑ Prepare JSA for **all OCS activities identified in your SEMS.**
- ❑ Must include:
 - ❑ Job steps
 - ❑ Existing or potential hazards
 - ❑ Mitigation

Contractor Management

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- ❑ SEMS must document your contractor selection criteria. ***How did you evaluate your contractor?***
 - Operator needs to obtain & evaluate information regarding contractor's safety and environmental performance
- ❑ Contractors **do not need** a SEMS
- ❑ Contractors must have their own written SWP
- ❑ Operator & contractor **must document their agreement** on appropriate contractor safety and environmental policies (*bridging document*)

Contractor Management

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- Operators must:
 - ▣ Perform periodic evaluations of the performance of contract employees, and
 - ▣ Maintain a contractor personnel injury and illness log for 2 years related to the contractor's work and include this information on Form MMS-131
- For purposes of this rule a contractor is anyone performing work for the lessee, except “domestic workers”

Training & Subpart O

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- ❑ SEMS needs to address not only **Subpart “O”** but all job duties for all personnel except domestic services as defined in Subpart S.
- ❑ SEMS needs to establish and implement a training program enabling all personnel to perform their job duties safely and in a manner which provides for protection of the environment

SEMS – Audit Requirements

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- Lessee or I3P audits program
 - 2 years from the initial implementation of the SEMS program and at least once every 3 years thereafter
 - Comprehensive audit (13 elements)

- Submit plan to BOEMRE (HQ) - 30 days before audit
 - BOEMRE may modify facility audit list
 - Audit plan - API RP 75 section 12.1 thru 12.4
 - BOEMRE may participate in your audit

I3P & Designated & Qualified Personnel (DQP) Criteria

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- SEMS education and experience
- Experience in offshore HSE
- Technical capabilities
- Previous experience with BOEMRE regulations
- **Avoid conflicts of interest, e.g. I3P/DQP can not both develop and audit your SEMS**

Audit Reports

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- You must submit Audit Report to BOEMRE (HQ) within 30 days of audit completion
 - Audit Report must detail your observations, identify any deficiencies, and summarize your conclusions.
- Deficiencies need to be addressed in a corrective action plan (CAP) and must be submitted to BOEMRE within 30 days of submitting your audit report.

BOEMRE Audit Triggers

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- Poor Performers (operator or contractor) based on Metrics (e.g., INCs)
- Accident Panel Investigations/2010 with one or more SEMS elements as a root cause
- Monthly Operator Compliance (MOC)
- Random Selection (BOEMRE conducts)

BOEMRE – Directed Audits

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- Operator must
 - ▣ Hire I3P to conduct audit (250.1926)
 - ▣ Pay for all costs

- If BOEMRE conducts audit in lieu of I3P
 - ▣ We will provide operator a report w/in 30 days of audit completion.
 - ▣ Operator must submit corrective action plan within 30 days of receiving BOEMRE's audit report.

Records and Documentation

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- ❑ Document and keep all SEMS records for 6 years, except
 - ❑ MOC provisions for 2 years
 - ❑ Injury/illness logs for 2 years
 - ❑ Contractor evaluations for 2 years
 - ❑ JSA's records for 2 years (onsite 30 days)
- ❑ Keep all records in an orderly manner, readily identifiable, retrievable and legible.
- ❑ If necessary, provide bridging document to show compliance w/ RP 75 and Subpart S.

BOEMRE Conducted Audits

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- Announced or Unannounced
 - ▣ BOEMRE to notify operator in advance for announced audit
 - ▣ Unannounced (partial audit)
- Partial or Complete
- Field and/or Office

BOEMRE Enforcement

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- If BOEMRE determines that your SEMS program is not in compliance, it may initiate one or more of following enforcement actions:
 - Issue an INC;
 - Assess civil penalties; or
 - Initiate probationary or disqualification procedures from serving as an OCS operator

RP75 Implementation Survey Summary

Production Years: 1994-1998

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- BOEMRE collaborated with the API, IPAA, and OOC over a four year period to survey if, and to what extent, OCS operators had voluntarily implemented RP75.
- At the end of each calendar year, identical surveys were sent to every OCS operator having production during that year.
- Operators were asked the degree to which they had implemented each element of RP75.
- Response from operators was reported to a third party and kept confidential from both BOEMRE and other operators to encourage honest reporting.

RP75 Implementation Survey Summary

Production Years: 1994-1998

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API RP75 Implementation Surveys					
	1994	1995	1996	1997	1998
OCS Operators Participating	80%	95%	96%	93%	86.8%
OCS Production Covered	94%	99.8%	99.9%	99.2%	97.5%

Q & A
as Submitted to BOEMRE
By 3/8/11

General Questions

General Questions

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Q1. I am greatly concerned that the statement in the Final Rule will be interpreted as giving *carte blanche* (*no SEMS*) for liftboats, the primary purpose of which is to temporarily attach to the seabed to perform activities in support of offshore oil and gas exploration and production. This pronouncement would seemingly permit a coiled tubing unit to be installed on a liftboat and used to extend the reach of, or perform completion or recompletion operations on a well.

General Questions

A1. When a vessel (including lift-boats) is conducting operations that fall under BOEMRE jurisdiction, the operator must ensure that the contractor has safety and environmental policies and procedures that are in place and endorse the operators SEMS program. Nothing in this final rule will affect the Coast Guard's authority with respect to safety regulations and authorities, and jurisdiction over vessels and offshore facilities (including lift-boats).

General Questions

Q2. We already have a Management System (MS) with the similar elements within RP 75, but they are not the exact same 13 elements (different names and organized a little differently). If we have the correct information, can we continue to use our elements and just create a cross reference index? We are already ISO 14001 and the OHSAS 18001 certified. I don't want to rewrite our MS that is already certified and working for us.

General Questions

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A2. Your SEMS program must meet the requirements of API RP 75 plus BOEMRE specific requirements as outlined in Subpart S.

There is nothing in the SEMS rule prohibiting a company from implementing ISO 14001 or any other “quality” or management program ***in addition*** to the requirements of API RP 75 plus BOEMRE specific requirements.

You may have a bridging document to direct BOEMRE on how ISO 14001 relates to RP 75.

General Questions

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Q3. Right now, we get recertified for ISO 14001 and OHSAS 18001 every 3 years. Would copies of those certification audits performed by a third party meet the audit requirements of SEMS?

General Questions

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A3. No, ISO 14001 and 18001 audits **DO NOT** substitute for compliance with API RP 75 and the additional requirements in Subpart S.

The I3P conducting a SEMS audit must meet the requirements in 30 CFR 250.1926.

30 CFR 250.1920(a) states that the operator must have their SEMS program audited within 2 years of the initial implementation of the SEMS program (11/15/2013) and at least once every 3 years thereafter.

General Questions

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Q4. SEMS states that it also applies to MODU's. Since we don't own those facilities and they work for multiple companies, it is difficult to dictate much to them about how to run their programs. What exactly should we be doing with our drilling contractors to comply with SEMS?

General Questions

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A4. Your SEMS must address the operation being conducted on the MODU (e.g., drilling, workover, completion) and all 13 elements in API RP 75 plus additional BOEMRE requirements in Subpart S.

For further information on MODU jurisdiction, please see the MMS/USCG MOU dated September 30, 2004, and associated MOA's.

30 CFR 250.1900 (d) states compliance with SEMS does not affect matters under the jurisdiction of the USCG

General Questions

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Q5. Who is the "You" in Section 250.1900? As mentioned in the summary, "operators" must develop and implement a SEMS program for all oil, gas and sulfur operations in the Outer Continental Shelf by November 15, 2011.

A5. 30 CFR 250.105 defines “**YOU**” as

“You means a lessee, the owner or holder of operating rights, a designated operator or agent of the lessee(s), a pipeline right-of-way holder, or a State lessee granted a right-of-use and easement.”

This definition **DOES NOT** include a CONTRACTOR

General Questions

Q6. A MODU that is contracted by an operator does not have to have a SEMS. However, the BOEMRE operator must conduct a hazard analysis on it.

A6. Correct. An OCS operator contracting a MODU needs a SEMS addressing the MODU. The OCS operator must either conduct a hazard analysis or accept the contractor's hazards analysis for that MODU.

General Questions

Q6-1. A MODU that is owned and operated by an operator must have a SEMS program. The operator must have the SEMS program not the MODU.

A6-1. Correct. A MODU that is owned and operated by an OCS operator must have a SEMS in effect when under BOEMRE jurisdiction.

General Questions

Q6-2. The operator of a fixed facility must have a SEMS program?

A6-2. Correct. The operator of a fixed OCS facility must have a SEMS program.

General Questions

Q6-3. The operator of a floating facility must have a SEMS program.

A6-3. Correct. The operator of a floating facility (FPSO, FPS, FPU) must have a SEMS program

General Questions

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Q7. Was the intent to use the USCG/BOEMRE MOA's to describe in detail the operations and activities under the jurisdiction of BOEMRE?

A7. Correct. The MOA addresses both USCG and BOEMRE jurisdiction and responsibility in regards to OCS oil and gas operations.

General Questions

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Q7-1. Does a SEMS program only need to address items in MOA's OCS-01 and OCS-04 where BOEMRE (MMS) is listed as the lead agency?

A7-1. Correct. Subpart S only applies to OCS activities under BOEMRE jurisdiction and in accordance with 250.1900(d) which does not affect safety and other matters under the jurisdiction of the USCG.

General Questions

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Q8. What is BOEMRE going to audit for construction activities?

A8. BOEMRE may audit all applicable SEMS elements such as, but not limited to:

- ▣ The initial construction of a facility in accordance with provisions in ***“Subpart I – Platforms and Structures”***
- ▣ Onsite facility construction activities, repairs, modifications
- ▣ Facility decommissioning
- ▣ Pipe lay operations
- ▣ Crane operations

General Questions

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Q9. Please clarify design and construction requirements on MODU's, SPARs, TLP etc.

A9. BOEMRE could audit applicable SEMS elements that apply to construction activities such as but not limited to:

- ▣ Initial construction of a facility in accordance with provisions in “***Subpart I – Platforms and Structures***”
- ▣ Sand blasting and painting
- ▣ Onsite modification (i.e. adding a skid unit)
- ▣ Welding (hot burning and taping)
- ▣ Electrical equipment modifications

General Questions

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Q10. Operators can use multiple contractors for doing work. Would each contractor have to bridge with the operator's SEMS?

A10. Correct. A bridging document linking the operator's SEMS to a contractors program can be developed

- e.g. API Well Control Interface Document – draft Technical Bulletin

General Questions

Q11. RP 75 refers to safety hazards, significant safety hazards, environmental impacts, and significant environmental impacts. Can BOEMRE define what constitutes a significant safety hazard and significant environmental impact?

A11. Any and all safety hazards and environmental impacts need to be addressed in SEMS.

General Questions

Q12. Does BOEMRE expect operators to perform Safety Integrity Level (SIL) assessments for Safety Integrity Function (SIF) in accordance with IEC 61508 and/or IEC 61511?

A12. No, BOEMRE will not define the type of Hazards Analysis an OCS operator needs to conduct or use as part of their SEMS.

The operator will need to evaluate the “**RISK**” on a facility and make that determination. There are a variety of HA techniques and methodologies available for use.

General Questions

Q13. Will DOT pipeline platforms be impacted by or required to comply with SEMS regulations now or in the future?

A13. If a DOI pipeline comes aboard a DOT platform, the operator must address that pipeline in their SEMS plan. BUT this does not release the operator from complying with other agencies requirements under their jurisdiction.

General Questions

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Q14. BOEMRE notes that more than 50% of operators have no program in place, deadline is short for those with no programs, will BOEMRE grant extensions for operators who cannot make deadline?

A14. Not accurate. The 50% comment refers to the number of responses to performance measures MMS-131 and is not indicative of the number of operators actually implementing SEMs.

BOEMRE is not granting extensions

General Questions

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Q15. Since many operators do not have programs to modify but must build new programs, and deadline is much shorter than OSHA's PSM granted for onshore development of SEMS, does BOEMRE have priorities for elements the operator of SEMS must develop in their program?

A15. The SEMS is an integrated management system which to function properly needs all elements to be developed and implemented. We do not anticipate an operator developing their SEMS in a piece meal fashion.

General Questions

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Q16. If an operator cannot make deadlines for program implementation, will all those facilities be shut in?

A16. There is a possibility that facilities may be shut-in but the BOEMRE will address these on a case by case basis.

General Questions

Q16-1. Can a Suspension of Production (SOP) be granted until an operator gets their program in place?

A16-1. No, an SOP will not be granted. You must have a SEMS program developed and implemented by 11/15/2011.

Q16-2. Will leases be in jeopardy while off production?

A16-2. No, an SOP will not be granted. You must have a SEMS program developed and implemented by 11/15/2011.

General Questions

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Q17. Is SEMS needed/required for these situations?

- We have several wells that are not currently producing and are on a P & A schedule for late 2011 or 2012.
- Platforms with or without processing equipment with no current or future production planned.

A17. ALL existing facilities and wells MUST be covered under a SEMS program.

General Questions

Q18. Given the findings of the Presidential Commission that many of the decisions that contributed to the Macondo/Deepwater Horizon Incident were made onshore, what proportion of the resources that BOEMRE dedicates to oversight of the SEMS regulations will be devoted to examining management practices onshore?

General Questions

A18. It is difficult to determine a percentage of BOEMRE resources that would be expended on auditing onshore safety and environmental management. However, SEMS is a comprehensive management program and would examine through an audit all safety and environmental management regardless of whether it is onshore or offshore.

General Questions

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Q19. Does BOEMRE anticipate developing a checklist to assess compliance with the SEMS regulations and API RP 75? Will this be made available to industry like the PINC lists?

A19. Yes, BOEMRE anticipates that a SEMS checklist will be developed but will **NOT** be made available to the public.

SEMS PINCs will be made available to the public and can be found on the BOEMRE website.

General Questions

Q20. In 30 CFR 250.1904 BOEMRE requires that all documents incorporated by reference “should” means “must”. Does this really mean that the phrase “should not” in RP 75 has to be read as “must not”? In section 12.3 of API RP 75 this would preclude some facilities from being covered in subsequent follow-up audits, even if the criteria for percentage of facilities covered was otherwise met. It also causes difficulty in the reading of the Management of Change provisions in section 4.3 of RP 75.

General Questions

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A20. Yes, it is important for the success of an operator's SEMS program that an operator evaluate all of their facilities over the course of time and not the same facilities each year.

In accordance with **30 CFR 250.1920 (b) (4)** states that **BOEMRE reserves the right to modify the list of facilities to be audited by the auditor.**

As per **250.1912 (a)(3)**, it is necessary to do an MOC for personnel changes (including contractors). A MOC would occur whenever there is a change in the organization or in personnel that supervise or operate the facility. Routine personnel vacancies and replacements, crew rotation, and shift and tour changes are included.

General Questions

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Q21. Section 1.2.2.k of API RP 75 states: “Suitably trained and qualified personnel are employed to carry out all aspects of the safety and environmental management program.”

Is this the basis for BOEMRE’s previous assertion (14 January 2011 presentation by David Nedorostek) that hazards analyses must be conducted by “qualified personnel” Are there specific criteria that BOEMRE will apply to determine if a person is qualified to conduct hazards analyses? If so, are these based on

(1) training;

(2) knowledge; or

(3) demonstrated abilities?

How must this “qualification” be documented, if at all? Please confirm this applies to office-based personnel as well as those on the facility.

General Questions

A21. Section 1.2.2 k of RP 75 includes a requirement that individuals involved in an operators SEMS program be suitably trained and knowledgeable in this program, including but not limited to HA.

The HA section 3.5 of RP 75 states that personnel performing the HA must be experienced on how to conduct the analysis and be familiar with the specifics of the facility being analyzed and its associated operations.

General Questions

Q22. Will BOEMRE more specifically identify those requirements that are more stringent in the regulations than in RP 75? (250.1900(c))?

A22. No, 30 CFR 250.1900 (c) states that “If there are any conflicts between the requirements of this subpart and API RP 75 (incorporated by reference as specified in § 250.198), you must follow the requirements of this subpart. We will not author a list identifying the more stringent requirements.

General Questions

Q23. In a response to a question in the comments, the response indicated the lift-boats are under the jurisdiction of the USCG and are not covered by this regulation. (75FR6316) We understand this to mean that operations conducted on or from non-MODU vessels are not subject to an operator's SEMS. Please confirm this.

General Questions

A23. When a vessel such as a lift-boat is conducting OCS operations (e.g. coiled tubing) that are covered by an operators SEMS then the operator must address the use of the lift-boats in their SEMS.

Nothing in this final rule will affect the Coast Guard's authority with respect to their jurisdiction over vessels and offshore facilities, including a lift-boat.

General Questions

Q24. My company is a lease holder but does not operate any facilities; we use a contract operator to operate our facilities. Can the SEMS of the contract operator satisfy the regulatory requirement that the operator is required to have a SEMS in place?

General Questions

A24. After a thorough analysis of the contractors program an operator may adopt this program as their own if they agree with it and it meets the requirements of the final SEMS rule and API RP 75.

As stated in 30 CFR 250.1914, this adoption must be documented between both parties in advance of the contractor initiating work and the operator must be able to explain in detail how their SEMS program is implemented.

General Questions

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Q25. Under what conditions does SEMS apply to a MODU?

A25. SEMS applies to a MODU when they are conducting activities under BOEMRE jurisdiction *including but not limited to:*

- Construction
- Drilling,
- Well workover,
- Well completion,
- Well servicing

General Questions

Q26. When will the PINCs and/or audit protocols for SEMS be available?

A26. SEMS PINC List will be made available to the public before November 15, 2011.

SEMS audit protocols will not be made available to the public.

General Questions

Q27. Please provide clarifications regarding the “SEMS II Rule” i.e., any content, requirements, and timing on implementation.

A27. The SEMS II Rule will be a proposed rule and will be available for public comment sometime this summer.

General Questions

Q28. Are Drilling Contractors required to abide by all thirteen elements of SEMS or only by those elements respective to their business?

A28. Drilling contractors are not required to develop or implement a SEMS, however the operator is responsible for ensuring that their SEMS program is complied with during drilling operations.

General Questions

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Q29. Are Contract Workers' Companies required to have SEMS in place or can they operate under the auspices of the Host Company's SEMS?

A29. Contract workers are not required to develop or implement a SEMS, however the operator is responsible for ensuring that their SEMS program is complied with during operations covered under SEMS (i.e. drilling, production, construction, well workover, well completion and well servicing).

General Questions

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Q30. Can a third party assessment of SEMS be regarded as an audit?

A30. An independent third party must meet the qualification criteria listed in 250.1926.

An assessment of a SEMS can be considered an audit **ONLY** if such an assessment meets all the criteria in RP 75 and final SEMS rule.

General Questions

Q31. Will API RP 75 be updated to include changes made by 30 CFR Part 250 Subpart S?

A31. RP 75 is an API authored standard.

It is BOEMRE's understanding that API updates their standards in accordance with internal procedures.

Please contact API to discuss such updates.

General Questions

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Q32. Will the regulation be updated on a scheduled basis?

A32. BOEMRE is in the process of developing a proposed second SEMS rule which will be published for comment in the near future.

On a regular basis BOEMRE updates its regulations as needed.

General Questions

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Q33. API RP 75 has numerous references to (Specification, Standards, Codes, Practices, etc.) that are not included in 250.198. Are these documents now also incorporated by reference?

A33. No, BOEMRE only enforces standards specifically incorporated in 30 CFR 250.198. So called “second tiered “ documents are not included in our regulations.

General Questions

Q34. From the Definitions section of the SEMS rule: “Designated & Qualified Personnel” (DQP) means employees (not contractors) that are knowledgeable of your program and have actual work experience and training in implementing and auditing a SEMS or similar program in an offshore oil and gas environment.” **What if the Corporate Compliance Manager is a “Contract Employee”?**

A34. Section 250.1903 states that a DQP does not include contractors. In this situation, you must use an independent third party to conduct your audit.

General Questions

Q35. How would a platform rig be treated under SEMS?

A35. If the platform rig is involved in operations covered by the SEMS rule (drilling, workover, completion, well servicing) then such a rig needs to be addressed in your SEMS program.

General Questions

Q36. Does the definition of “facility” in §250.1911 apply to all the sections in Subpart S?
If so, what are BOEMRE’s expectations for each operator who contracts a MODU?
Does BOEMRE expect each operator to fully develop and implement all of the elements in the SEMS program for a “facility” he or she neither owns or operates? If not, what is the expectation?

General Questions

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A36. Yes, the definition of facility applies throughout Subpart S.

MODUs are covered under this rule and require the operator to develop a complete SEMS plan that considers all elements.

It is acceptable for the operator to adopt sections of a contractor's safety policies & procedures into their SEMS plan if it meets the requirements of this rule and the operator's expectations of their safety management program.

General Questions

Q37-1. IADC's HSE Case Guidelines for MODUs provide guidance on developing a facility level hazards analysis for a MODU. Does BOEMRE recognize this Guideline as providing appropriate guidance?

A37.1 Even though the IADC HSE Case Guidelines were noted in the May 27, 2010 DOI Safety Report, BOEMRE has not included any requirement in our regulations that an operator needs to abide by them.

Should an OCS operator want to include IADC HSE Case Guidelines in their SEMS to address applicable sections of their program (e.g. operating procedures, safe work practices) for a MODU they can.

However the operator must decide if the provisions in the contractor's IADC HSE Case Guidelines meet the goals of their SEMS.

General Questions

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Q37-2. What standards or guidance does BOEMRE consider appropriate for the facility level hazards analysis for the well being drilled by a MODU?

A37-2. In regards to a HA addressing the drilling of a well on a MODU, the operator needs to show that **ALL hazards encountered** during the drilling operation have been identified thru an appropriate HA technique. The HA should not only address MODU based equipment and operations, but also the risk of encountering a blowout, kick, spill, fire etc. related to the well being drilled.

General Questions

Q38. What are BOEMRE's expectation for covering coastal and marine environmental impacts in each of the SEMS elements covered under the rulemaking?

A38. Expectation – they will be protected at all times from any and all activities conducted under your SEMS.

If your activities have associated lease stipulations related to protecting the coastal and marine environment then those should be addressed in your SEMS. For example, avoidance of benthic habitats and shunting of drill cuttings near coral reefs.

In general, conducting safe operations and implementing proper house keeping procedures will lead to protection of the environment.

Management's General Responsibilities

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250.1909 What are management's general responsibilities for the SEMS Program?

Management's General Responsibilities

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Q1. What is the intent of 250.1909(g)?

If operators only need to cover operations and activities under the jurisdiction of BOEMRE, why does this section state that they need to ensure that facilities are designed, constructed, maintained, monitored, and operated in a manner compatible with applicable industry codes, consensus standards, and generally accepted practice as well as in compliance with all applicable governmental regulations?

Management's General Responsibilities

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A1. The intent of 30 CFR 250.1909(g) is to clarify that compliance with the provisions of Subpart S does not relieve any company from their responsibilities to comply with the regulations, standards, codes and generally accepted practices of other federal, state, or local agencies including other BOEMRE requirements .

Management's General Responsibilities

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Q2. What does the word "**facility**" mean in 250.1909(h)?

A2. As stated in 30 CFR 250.1911, the definition of "**facility**" means all types of offshore structures permanently or temporarily attached to the seabed (i.e., mobile offshore drilling units; floating production systems; floating production, storage and offloading facilities; tension-leg platforms; and spars) used for exploration, development, production, and transportation activities for oil, gas, or sulphur from areas leased in the OCS.

Facilities also include DOI regulated pipelines.

Management's General Responsibilities

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Q3. Define Management.

A3. Though it is not defined in Subpart S management means:

- ▣ A team of individuals who have the day-to-day responsibilities of overseeing or providing instruction to a company. They hold specific executive powers conferred onto them with and by authority of the board of directors and/or the shareholders.
- ▣ Additional guidance on the meaning and responsibilities of management can be found in Section 1 of API RP 75, Third Edition.

Safety and Environmental Information

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30 CFR 250.1910. What Safety and Environmental Information is Required?

Safety and Environmental Information

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Q1. 250.1910 What information is required?

A1. In accordance with API RP 75 this information includes:

- Process Design Information
 - Process flow diagrams
 - Upper and lower limits
 - Temperature
 - Pressure
 - Flow and composition
 - Energy/material balance

Safety and Environmental Information con't

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Q1. 250.1910. What information is required?

A1. In accordance with API RP 75 this information includes:

- Mechanical & Facility Design Information
 - Piping and instrument diagrams
 - Electrical area classification
 - Equipment arrangement drawings
 - Relief system
 - Description of alarms, shutdown system
 - Well control systems
 - Fire protection system
 - Emergency evacuation procedures
 - Materials of construction
 - Equipment & piping specs
 - Corrosion prevention systems
 - General adherence to API RP 14J

Safety and Environmental Information

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Q2. Isn't SEMS for operators not individual facilities?

A2. A SEMS plan addresses how operators manage **ALL** of their facilities and associated activities.

An operator's SEMS must address all operations (drilling, production, workover, completion, construction) on OCS facilities (fixed , floater, TLP, MODUs, etc.) under BOEMRE jurisdiction.

Safety and Environmental Information

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Q3. Does BOEMRE expect operators to have a minimum set of safety and environmental information?

A3. Yes, as described in Section 2 of API RP 75

- The intent of this element is to provide a basis for developing & implementing other SEMS elements.
- By compiling relevant and accurate information on your processes, and design information an operator will be able to develop a more realistic SEMS which must be retained for the life of the facility.
- RP 14J should provide an acceptable level of safety when used in conjunction with referenced industry codes, practices, and standards such as stated in 30 CFR 250.198 which must be retained for the life of the facility.

Safety and Environmental Information

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Q4. What if they do not have the items listed in API RP 75?

A4. If BOEMRE determines that your SEMS program is not in compliance with API RP 75 and Subpart S, we may initiate one or more of following enforcement actions as listed in 30 CFR 250.1927:

- ▣ Issue an INC,
- ▣ Assess civil penalties,
- ▣ Initiate probationary or disqualification procedures

Safety and Environmental Information

90

Q6. What are BOEMRE's expectation for covering coastal and marine environmental impacts in each of the SEMS elements covered under the rulemaking? Can you give examples?

A6. Expectation – all coastal and marine environment will be protected at all times from any and all activities conducted under your SEMS.

EXAMPLE - how you will address lease stipulations under your SEMS

Safety and Environmental Information

91

Q7. If there are no Piping & Instrument Diagrams (PI&D) for a facility, will it be enough to use Process Flow Diagrams (PFD)?

A7. Yes, BOEMRE would accept either one for a facility.

Hazards Analyses

92

250.1911. What criteria for Hazards Analyses must my SEMS program meet?

Hazards Analyses

93

Q1. Section 250.1911 pertains to the Hazards Analysis requirement and states: “The analyses must be updated when an internal audit is conducted to ensure that it is consistent with the current operations on your facility.”

I wanted to verify that the intention was for the Hazards Analyses required in Section 250.1911 to be updated at the same interval as the “Audit of SEMS Elements” specified in Section 250.1920 as “... within 2 years of the initial implementation of the SEMS program and at least once every 3 years thereafter.”

Hazards Analyses

- A1.** No, that is not the intention. In accordance with 30 CFR 250.1911, the HA needs to be updated when an audit is conducted to ensure HA is consistent with the current operations on the facility.
- Additionally, Section 3.4 of RP 75 states that the HA is required to be revised/updated when one or more of the SEMS elements (e.g. MOC, OP) requires the HA to be revised/modified.

Hazards Analyses

Q2. I am curious about the SEMS as it applies to older shelf properties. Many of the older facilities have never had an HA or if conducted might not be reflective of current processing operations.

Do I understand that we will have to conduct an HA on all 3,500 or so facilities if we don't have one on file somewhere? And we have one year to do that?

Hazards Analyses

A2. Yes.

- 30 CFR 250.1911(a) states that each operator must perform an initial HA on each facility on or before 11/15/2011.
- An operator may use an existing hazard analysis as long as it reflects the complexity of the current operations being conducted and must identify, evaluate, and manage the hazards involved in the operation.
- 250.1911 states a single hazard analysis for nearly identical well jackets, single well caissons or other structures may be applied to all such facilities within a field, after verifying that site specific deviations are addressed.

Hazards Analyses

Q3. When the owner sells a facility, can the new owner use the existing hazard analysis of the facility or are they required to perform a new hazard analysis?

A3. The new facility owner can use an existing HA **ONLY** if it is accurate and shows any and all facility modifications or changes.

Hazards Analyses

98

Q4. Can an operator use API RP 14C checklist as part of their hazard analysis?

A4. Yes.

- ▣ There is nothing in Subpart S that prevents the operator from using API RP 14C checklist as part of their production equipment HA.
- ▣ API RP 14C checklist is only one technique available in Subpart S for use in conducting a HA
- ▣ SEMS **DOES NOT** specify the type of HA to conduct
- ▣ The particular HA technique used should be determined based on the type of facility, level of activity, type of production, manned vs unmanned facility, etc.

Hazards Analyses

99

Q5. What level of detail is required for the hazard analysis?

A5. SEMS does not specify the level of detail to be included in a HA.

- ▣ The operator must specify the level of detail based on the risk of the operation being conducted, type of facility and equipment on the facility.
- ▣ API RP 75 references a variety of methodologies which can be utilized when conducting a HA
 - API RP 14C
 - API RP 14J
 - References 1 and 2 included in Appendix C (API RP 75)

Hazards Analyses

100

Q6. Does BOEMRE expect to see detailed safety & environmental hazard assessments for each facility?

A6. Yes, a detailed HA is required for each facility unless;

- The operator has determined that facilities are nearly identical.
- Locations with clusters of structurally interconnected platforms could be analyzed together.

Hazards Analyses

Q7. What form should the Initial Hazards Analysis Report take?

A7. BOEMRE does not specify the type of format to be utilized for preparing the initial HA report. RP 75, Section 3.6 includes detailed requirements for this report.

Hazards Analyses

102

Q8. Could BOEMRE confirm the review cycle for hazard analysis?

A8. Per API RP 75, a HA must be reviewed periodically and updated

- Typical review intervals range between 5 years for high-priority facilities and 10 years for low-priority facilities.
- The factors listed in Section 3.3.1 of RP 75 and changes in the facility (refer to Section 4 - MOC) should be considered in establishing the review cycle.

Hazards Analyses

Q9. RP 75 refers to safety hazard, significant safety hazards, environmental impacts and significant environmental impacts. Can BOEMRE define what constitutes a significant safety hazard and significant environmental impact?

A9. No, BOEMRE will not define these terms. The operator needs to define these terms in their SEMS program.

Hazards Analyses

104

Q10. Is HAZOP + 14C and/or 14J review sufficient?

A10. As already stated, SEMS does not specify the level of detail to use in a HA, or the type of HA to be used.

- The operator must specify the level of detail and type of HA they will use for a given facility based on the risk of the operation being conducted.

Hazards Analyses

105

Q11. The regulations require that JSA's be kept onsite for 30 days, retained for 2 years, and make available to BOEMRE upon request. There does not appear to be a corresponding requirement regarding the Facility Level Hazards Analyses.

Does BOEMRE believe the general authority in 250.1924 allows it to demand access to these analyses?

If so, does BOEMRE anticipate routinely reviewing such analyses?

Hazards Analyses

A11. Yes, according to RP 75 Section 3.6 the HA needs to be kept on file for the life of the facility.

You must make the HA available to BOEMRE upon request as stated in 250.1911(a). These documents will be reviewed routinely during a BOEMRE conducted audit.

Hazards Analyses

Q12. Does 250.1911(a) apply to pipelay barges or other such construction equipment?
(They aren't in the list.)

A12. Yes, 250.1911 states all types, permanently or temporarily attached to the seabed and further states the HA must be appropriate to the complexity of the operation and must identify, evaluate, and manage the hazards involved in the operation.

Hazards Analyses

Q13. For MODUs, can the operator accept the MODU owner's hazards analyses to meet the requirements of 250.1911? If so, what sort of documentation must be provided to indicate such acceptance?

A13. Yes, an operator may adopt their contractor's MODU HA as their own. However, there must be a documented and signed agreement between both parties to this effect. It is the operator's responsibility to ensure compliance with API RP 75 and Subpart S.

Hazards Analyses

109

Q14. Is there a general list of hazards that BOEMRE expects will be addressed in the facility level hazards analyses?

What acceptance criteria will BOEMRE apply to mitigation measures?

Hazards Analyses

A14. BOEMRE does not have a general list of hazards, but guidance can be found under 250.1911 and RP 75 section 3 that the operator must address in the facility level hazards analyses.

The operator must conduct the hazard analysis to address **all risks** on the facility as well as mitigate the risk to an acceptable level.

Hazards Analyses

111

Q15. Confirm the review cycle for HA; API 75 mentions 5 and 10 years but SEMS asks for the HA review cycle to be in line with the audit cycle, which is 3 years.

A15. Correct, RP 75, Section 3.4 defines the 5 and 10 year review cycle for the HA.

However, the Subpart S requires the HA to be updated upon completion of an audit if deficiencies were indentified, and at anytime a new hazards is introduce to the facility or your operations.

Hazards Analyses

112

Q16. What is BOEMRE's expectation for what triggers an internal audit and updating a facility hazard analysis?

A16. As per API RP 75 3.4, "Management should establish a program for updating hazards analyses..." Factors to consider for performing a hazards analysis are located in Section 3.3.1.

Job Safety Analysis

113

250.1911(b). What criteria for Job Safety Analysis must my SEMS program meet?

JSA Questions

114

Q1. For JSA's, 250.1911 (b) (3) states, the supervisor of the person in charge of the task must approve the JSA prior to the commencement of the work. Is "the supervisor" interpreted as personnel at the management level? i.e. Office personnel? Or is this basically the highest ranking person on the offshore facility? i.e. Foreman/Lead Operator...

JSA Questions

115

A1.

- 30 CFR 250.1911 (b) (3) states the supervisor of the PIC of the task must approve the JSA.
- The actual supervisor responsible for approving the JSA will be determined by the company based on their structure and organization.

JSA Questions

116

Q2. Is it acceptable for “the supervisor” of the person in charge of the task to approve the JSA electronically through email or a web-based program?

A2. Yes, The supervisor or the PIC as determined by the company can approve the JSA electronically, through email, by a web-based program or in writing. It is up to the operator.

JSA Questions

117

Q3. Does the approval require a signature?

If so, is an electronic signature acceptable?

A3. JSAs must be signed off after a visual onsite inspection by the PIC is conducted.

An electronic signature is acceptable.

JSA Questions

118

Q4. Should a JSA be conducted for each general operation or the immediate task at hand?

A4. The operator needs to develop and implement a task level JSA for all activities addressed in their SEMS programs in accordance 30 CFR 250.1911(b).

Management of Change

119

**250.1912 What criteria for
Management of Change must my
SEMS program meet?**

Management of Change

120

Q1. For MOC, 250.1912(a) (3) states, you must develop and implement a management of change procedure for Personnel changes. Is this still interpreted as “organizational changes in personnel” and “operations or supervisory” personnel only?

A1. Changes in Personnel which will trigger a MOC include but are not limited to;

- Company mergers/acquisitions
- Substitution in personnel
- Elimination of a position
- Contractor or subcontractor personnel changes

30 CFR250.1912(a) (3) takes precedence over RP 75 section 4.3

Management of Change

121

Q2. Will a MOC be required for a new MSDS?

A2. No.

- ▣ 30 CFR 250.1912 (a) addresses MOC procedures.
 - The procedures would include adding a MSDS for any new chemical introduced to the facility.
- ▣ However, if a new material is brought onto the facility, then a MOC is required

Management of Change

122

Q3. How does BOEMRE justify excluding ‘replacement in kind’ from Management of Change (250.1912(b)), when such replacement could mean that equipment so-replaced would not conform to the latest equipment standards incorporated by reference into BOEMRE or Coast Guard regulations or the regulatory standards themselves. For example, replacement of a crane manufactured ca. 1980 with an “in kind” crane salvaged from a facility being decommissioned.

Management of Change

123

A3. In accordance with 250.1912 (b) an operator does not need a MOC for replacement in kind if the equipment meets or exceeds the current regulatory requirements and standards.

It is also incumbent upon the operator to use BAST (Best and Safest Technology) as per 30 CFR 250.107(c).

Management of Change

124

Q4. What is BOEMRE's definition of "Personnel change"?

A4. As stated in 30 CFR 250.1912 (a)(3) changes in personnel which will trigger a MOC include but are not limited to;

- Company mergers/acquisitions
 - Substitution in personnel
 - Elimination of a position
 - Contractor or subcontractor personnel changes
- **30 CFR 250.1912(a) (3) takes precedence over RP 75 section 4.3**

Operating Procedures

125

250.1913 What criteria for Operating Procedures must my SEMS program meet?

Operating Procedures

126

Q1. Can you please clarify the wording "**raw materials**" as used in 250.1913?

A1. The term raw materials as used in 30 CFR 250.1913 (a) (10) includes but is not limited to any and all materials addressed in operator's SEMS program. Examples include:

- drilling fluid additives,
- cementing materials,
- metals

Within your SEMS, procedures should be in place addressing how you will manage the quality of raw materials used in your operation

Operating Procedures

127

Q2. Define Coastal and Marine Environment?

A2. Official definitions of these terms are defined in OCSLA and summarized below

- g) The term “**marine environment**” means all areas and zones of the ocean and everything surrounding and within the ocean which includes water, air, weather, ocean floor, biological resources (such as shrimp, corals and whales), and generally all factors which interactively determine the productivity, state, condition, and quality of the marine ecosystem.

- (h) The term “**coastal environment**” means the terrestrial areas from the shoreline inward to the boundaries of the coastal zone and include air, weather, land, water, biological components, and generally all factors which interactively determine the productivity, state, condition, and quality of the coastal ecosystem;

Safe Work Practices

128

250.1914. What criteria must be documented in my SEMS program for safe work practices and contractor selection?

Safe Work Practices

129

Q1. Under 250.1914, will written Safety Management System procedures, as required by 33 CFR 96 and Chapter IX of SOLAS for MODUs 500 gross tons or more on international voyages, be accepted under this section.

A1. A MODU of 500 gross tons or more on international voyages are not under BOEMRE jurisdiction

Safe Work Practices

130

Q2. SEMS requires contractors to have safe work practices. Does this include contractors who supply operations & maintenance personnel to operators as these contracts use the operator's SWP?

A2. 30 CFR 250.1914 (a) states contractors includes all groups performing work for the lessee with the exception of "domestic" workers (janitorial, food, beverage, laundry, housekeeping)

Safe Work Practices

131

Q3. What are BOEMRE expectations with regards to Operator's demonstrating that the Contractor's policies and procedures meet the requirements of their SEMS?

A3.250.1914(b) & (c) requires operators SEMS to define how they will evaluate/verify that their contractors are knowledgeable and experienced in their jobs;

- ▣ Records and documentation review
- ▣ OJT/ job evaluation
- ▣ Interviews, discussions
- ▣ Safety data review/evaluation

Safe Work Practices

132

Q4. Do you expect Operators to audit each contractor?

A4. Yes, as stated in 30 CFR 250.1914(e) an operator needs to periodically evaluate the performance of **each contractor**.

BOEMRE does not specify an evaluation frequency.

Safe Work Practices

133

Q5. Contractors currently working a loop system will visit facilities with different SEMS programs. What are BOEMRE's views on the practicalities of continuing to operate this system of work?

A5. Contractors will need to adjust their work procedures, protocols, and processes to accommodate the SEMS requirements in individual operators management systems when working a loop system.

Safe Work Practices

134

Q6. Will all the contractor safety reviews need to be completed by November 15 or can these reviews go past the deadline for existing contractors as long as the SEMS plan is in place?

A6. Contractor safety reviews must be conducted by November 15, 2011 and the results of the review for selecting a particular contractor must be made available to BOEMRE upon request.

Safe Work Practices

Q7. We've been hearing a lot of discussions regarding "competence" of personnel and the need to determine and document the competencies for personnel. While this is a laudable goal, "competence" is difficult to clearly define, let alone assess, and in any case is important with respect to a specific individual in a specific case. For example, will the individual perform appropriately in an emergency? Subpart O, the SEMS rule, and API RP 75 do not use this term. What is BOEMRE's view regarding the need to determine and document the competencies for personnel with respect to SEMS?

Safe Work Practices

136

A7. Sections 250.1914 (SWP) and 250.1915 (Training)

- ❑ Do not use the word “COMPETENCE”.

Under these sections the operator:

- ❑ Must obtain and evaluate information regarding the contractor's safety and environmental performance (250.1914)
- ❑ Is responsible for making certain that contractors have the skills and knowledge to perform their assigned duties and are conducting these activities in accordance with the requirements in your SEMS program (250.1914(c))
- ❑ Is responsible to implement a training program for all personnel (direct employees of the operator and contractors) TO ENSURE THEY are trained to work safely and protect the environment (250.1915)

Safe Work Practices

137

Q8. We ensure our contractors have programs in place to verify knowledge and skills for critical safety and operating procedures, and emergency response and control measures.

This is done by reviewing their programs, periodically auditing their records and performing observations of contractors while performing critical tasks at our facilities. Does this meet the SEMS requirement to verify contractor training and knowledge and skills?

Safe Work Practices

A8. Yes, RP 75 section 7 address training elements relevant to offshore operations.

Furthermore, section 7 states that the operator must establish and implement training programs so that all personnel (including contractors) are trained to work safely and are aware of environmental considerations

Safe Work Practices

139

Q9. How does SEMS apply to incidental contractors and other temporary workers that do not have involvement in the production operations?

Safe Work Practices

A9. It would depend upon what you mean by incidental.

The rule states, “**a contractor is anyone performing work for the lessee.** However, these requirements **do not apply** to contractors providing domestic services to the lessee or other contractors. Domestic services include janitorial work, food and beverage service, laundry service, housekeeping, and similar activities.”

Training

141

30 CFR 250.1915. What Criteria for training must be in my SEMS program?

Training

142

Q1. Does BOEMRE have a list of training courses that the industry is expected to adopt to meet the requirements of Subpart S?

A1.No.

- RP 75 section 7 and 250.1915 addresses training elements relevant to your offshore operations, however
 - The type, frequency and exact material covered in training courses need to be included in an operators SEMS.
 - The training courses need to be reflective of an individuals actual job duties and responsibilities.

Mechanical Integrity

143

250.1916. What criteria for Mechanical Integrity must my SEMS program meet?

Mechanical Integrity

144

Q1. For mechanical integrity, 250.1916(d) states, documentation must include the name and position, and the signature of the person who performed the inspection or test. Is an electronic signature acceptable?

A1. Yes. Electronic signature is acceptable as long as the documentation is filled out at the time of the inspection and needs to be available onsite.

Mechanical Integrity

145

- Q2.** Is a signature required for each piece of equipment individually, or is one signature acceptable for multiple equipment that was tested by the operator/technician?
- A2.** A signature by the operator/contractor/technician is acceptable for multiple pieces of equipment that were tested as long as all the required information identified in API RP 75 section 8 and 30 CFR 250.1916 are addressed.

Mechanical Integrity

146

Q3. Is BOEMRE preparing guidance on producing a list of critical equipment?

A3. No.

- ▣ BOEMRE will not prepare a list of critical equipment for SEMS.
- ▣ It is up to the operator to define in their SEMS what critical equipment is for a particular facility or operation.

Mechanical Integrity

147

Q4. Does the term critical equipment only refer to those items used to manage significant safety & environmental impacts?

A4. No.

- ▣ An operator will need to define “critical equipment” as part of their SEMS based on a particular facility or operation.
- ▣ The decision to identify a piece of equipment as critical should take into account the goal that a SEMS program should strive to avoid/minimize all levels of environmental or safety risk.

Mechanical Integrity

148

Q5. Is equipment defined as not being critical excluded from the SEMS program?

A5. No.

- ▣ 250.1916 states that your MI program must address all “**ALL**” equipment and systems (critical, non critical, significant, etc....).
- ▣ **250.1916 takes precedence over RP 75 section 8.1**

Mechanical Integrity

149

Q7. What are BOEMRE's expectations in regards to an acceptable Mechanical Integrity (MI) program?

A7. An operator's MI program needs to contribute to the safe operation of equipment and ensures that equipment is fit for service.

It is an operator's responsibility to specify the methodology of a MI program.

Mechanical Integrity

150

Q8. The design and fabrication of process equipment is covered by ASME, but the reliability, integrity, erosion and corrosion aspect of MI that has no direct reference in standards compels operators to default to the best sound professional judgment and good business sense.

A8. The operator's MI program may use applicable standards (ASME BPVC, API Pub. 510) as part of this program.

Manufactures recommendations, appropriate service requirements and engineering standards should be used as needed to address the reliability, integrity, erosion and corrosion of process equipment

Mechanical Integrity

151

Q8. Does BOEMRE expect operators to implement MI Plans for MODUs owned by drilling contractors?

A8. Yes, an operator may adopt their contractor's MI plan for the MODU as their own. However, there must be a documented and signed agreement between both parties to this effect. It is the operator's responsibility to ensure compliance with API RP 75 and Subpart S.

Mechanical Integrity

152

Q9. Will the BOEMRE accept a risk based methodology for the implementation of an MI program?

A9. Yes, it is at the operator's discretion to determine the specific methodology (i.e., risk based) they will use to implement a MI plan.

Mechanical Integrity

153

Q10. If an operator had all the MI ‘procedures’ already in place, (i.e. Construction Specifications et al), would BOEMRE accept them as they are or does BOEMRE expect a new comprehensive document?

A10. An operator may use existing MI procedures as long as they reflect the complexity of the current equipment being utilized.

Mechanical Integrity

154

Q11. What does BOEMRE perceive the difference between documenting the inspection and tests that have been performed and verification that inspections and tests are being performed?

A11. Documentation - The operator has a system in place to record that equipment inspections and tests (electronic and/or paper) were conducted in accordance with manufactures recommendations, appropriate service requirements and engineering standards.

Verification – The operator confirms by conducting an audit that the records are available and in compliance with manufactures recommendations, appropriate service requirements and engineering standards.

This audit can be part of the three year SEMS audit requirement, part of a pre-startup review, or part of a BOEMRE directed audit.

Mechanical Integrity

155

Q12. Many original equipment manufacturers (OEMs) are no longer in business. Since many operators have years of experience in maintaining equipment, what documentation is required when it is determined that enhanced safety and performance can be achieved when deviating from OEM's recommendations? (250.1916(a))?

A12. If an OEM is no longer in business, the operator is required to comply with 30 CFR 250.141 – Alternate procedures and equipment.

§250.1918 What criteria for emergency response and control must be in my SEMS program?

Emergency Response and Control

157

Q1. Sections 250.1918(a) refers to “qualified person(s)”, but unlike 250.1926 doesn’t define any criteria for qualification. Are there specific criteria that BOEMRE will apply to determine if a person is qualified in emergency operations? If so, are these based on (1) training; (2) knowledge; or (3) demonstrated abilities? How must this “qualification” be documented, if at all?

Emergency Response and Control

158

A1. No, BOEMRE does not designate specific criteria but does require the operator to develop criteria in their SEMS program to comply with RP 75, Section 7 – Training and Section 10 – Emergency Response and Control

Emergency Response and Control

159

Q2. Are evacuation procedures that place personnel in a lifeboat sufficient, or must the plan address getting personnel to a place of safety?

Emergency Response and Control

160

A2. The operator must develop criteria in their SEMS program on evacuation procedures.

BOEMRE will not develop emergency operations procedures for an operator.

It is the operator(s) responsibility to assess the needs for an adequate evacuation program.

250.1919. What criteria for investigation of incidents must be in my SEMS program?

Investigation of Incidents

162

Q1. What is the required length of time for maintaining the findings of investigation information regarding serious safety and/or environmental incidents?

A1. RP 75 Section 11.3.1 states this information should be retained for possible use in the next HA update, company audits, or for a minimum of 2 years.

Auditing Requirements

163

250.1920 What are the auditing requirements for my SEMS program?

Auditing Requirements

164

Q1. When does BOEMRE consider the audit to be completed? We consider the audit to be completed when the final audit report is issued.

A1. The audit is complete when all deficiencies in a SEMS program are identified and documented.

- ▣ The operator has 30 days from the completion of an audit/evaluation to submit the auditor's report (either independent third party or designated and qualified personnel) of all identified deficiencies and a corrective action plan to BOEMRE. The plan must address items in 30 CFR 250.1920 (d), 1 and 2.

Auditing Requirements

165

Q2. Is BOEMRE developing an audit protocol for SEMS and when will this be available?

A2. Yes, we are developing an internal audit protocols for SEMS. At this time we do not intend to release this to the public.

Auditing Requirements

166

Q3. How does the BOEMRE define "independent third-party" in the audit process?

A3. See Subpart S section 250.1926.
There are several criteria listed.

Auditing Requirements

167

Q4. Will the BOEMRE have an accreditation process for auditors?

A4. No, BOEMRE will not have an accreditation process for auditors. Auditors are required to meet the criteria listed in 30 CFR 250.1926 in order to audit an operator's SEMS program.

Auditing Requirements

168

Q5. What is the BOEMRE process for the evaluation of audits performed?

A5. For audits that BOEMRE does not monitor in person, BOEMRE will examine the audit documentation to assess how the audit addressed previously received INCs or incidents to ensure the operator addresses these in a satisfactory manner and that the SEMS program is being implemented in accordance with operator policies.

Auditing Requirements

169

Q6. What criteria has the agency developed for qualifying independent third party auditors?

A6. The qualification for an I3P or a DQP can be located at 30 CFR 250.1926.

Auditing Requirements

170

Q7. Will auditors with experience in other sectors be allowed, as long as they meet the regulatory requirements?

A7. The qualification for an I3P or a DQP can be located at 30 CFR 250.1926. They must meet all of the requirements in order to qualify as an I3P.

Auditing Requirements

171

Q8. When will the universal checklist of items that will be audited be available from BOEMRE?

A8. SEMS PINCs will be made available to the public before November 15, 2011.

SEMS audit protocol will not be made available to the public.

Auditing Requirements

172

Q9. If you are ISO 14001 and OHSAS 18001 certified:

Q9-1. Can you use a certified ISO/OHSAS auditor for the SEMS audit?

A9-1. Yes, as long as they meet the requirements of 250.1926.

Q9-2. Can you use the three year certification for the SEMS audit requirement?

A9-2. BOEMRE does not require certification for auditors but they must meet the requirements of 250.1926.

Auditing Requirements

173

Q10-1. 250.1920 SEMS Audit Plan - A written SEMS Audit Plan must be submit to BOEMRE at least 30 days before the audit. BOEMRE reserves the right to modify the list of facilities that operators propose to audit. What is the mechanism for challenging BOEMRE's decision to modify an operator's plan (facilities to be audited; auditors)?

A10-1. If you have a legitimate reason to challenge the BOEMRE's decision to modify your audit plan, then you may contact BOEMRE (HQ) to discuss. The formal appeal process is described in Subchapter C – Appeals, Part 290.

Auditing Requirements

Q10-2. If an operator decides to change the audit plan (revising the facilities' to be audited) due to weather issues, etc, can the operator notify BOEMRE of the change within a shorter timeframe than 30 days?

A10-2. Yes, BOEMRE would consider the changes to the audit plan. However, BOEMRE still reserves the right to accept or refuse the proposed changes.

Auditing Requirements

175

Q11. Does my I3P auditor have to be from a *different* contractor than my corporate compliance manager if that manager is a contract employee?

A11. Yes, BOEMRE feels the situation as described in this question represents an inherent conflict of interest.

Auditing Requirements

176

Q12. What does BOEMRE envision their role as participants in an audit?

A12. In accordance with 250.1924 (d) BOEMRE may observe or participate in an operators audit. If BOEMRE participates or observes, and finds discrepancies during the audit, BOEMRE may direct you to conduct another audit under 30 CFR 1925.

Auditing Requirements

177

Q13. What does BOEMRE envision as the difference between verifying corrective actions from an audit in §250.1920(e) and §250.1924?

A13. 250.1920(e) addresses the operator submitting their corrective action plan (CAP) to BOEMRE. Where as 250.1924(b)(4) addresses BOEMRE verifying that the operator made the corrections as addressed in their CAP.

Shortcomings in SEMS program

178

250.1927. What happens if BOEMRE finds shortcomings in my SEMS program?

Shortcomings in SEMS program

179

Q1. Under section 250.1927, will BOEMRE only take action if it determines that a SEMS program is not in compliance with operations and activities under the jurisdiction of BOEMRE?

A1. Yes, BOEMRE would only initiate an enforcement action as detailed in section 250.1927 if an activity or operation under BOEMRE jurisdiction is not adequately addressed in the operators SEMS program or is out of compliance with other regulatory requirements.

OCS Performance Measure Data

180

250.1929. What are my responsibilities for submitting OCS performance measure data?

OCS Performance Measure Data

181

Q1. For MMS-131, 250.1929 states, you must submit form MMS-131 on an annual basis.

How does BOEMRE want *Company employee hours worked in “Production Operations”* to be tallied? i.e. for an unmanned platform that is visited 3 days per week, 2 hours per visit, by company personnel. Does BOEMRE want an average of (days visited x number of company employees x 12 hours= Total hours worked) or does the BOEMRE want **only** the hours that the employee was on the facility and performed work in “Production Operations”?

OCS Performance Measure Data

182

A1. For both the contract and company employee hours worked calculations, you should multiply the number of employees onsite by the days onsite by the hours worked for each employee. For example 6 employees onsite for 2 weeks working twelve hour days would be tallied like this:

Ex.: 6 people x 14 days x 12 hrs per day = 1,008 man hours worked OR

in your example, # of employees x 3 days x 2 hours.

OCS Performance Measure Data

183

Q2. How does BOEMRE want *Contract employee hours worked in “Production Operations”* to be tallied? Many unmanned platforms are managed by a “loop” operation. There may be 6 platforms on the “loop” and all may be owned by different lessees. Does BOEMRE want an average of (days visited x number of contract employees x 12 hours = Total hours worked) or does the BOEMRE want **only** the hours that the contract employee was on the facility and performed work in “Production Operations”?

OCS Performance Measure Data

184

A2. If there are multiple unmanned platforms managed by a “loop” operation each lessee who owns a facility on the “loop” is responsible for only their portion of man hours worked.

OCS Performance Measure Data

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Q3-1. Form MMS-131 only asks for information on spills of oil and condensate. Will this form be updated to include emissions into the air?

A3-2. No, there are no plans to include emissions into the air at this time.

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Q4. Where can I find the correct instructions for completing the new Form 131, they don't accompany the Form on the website? The only instructions I can find on the website are those for NTL 99-N03, which don't address the new Form. Why is NTL 99-N03 still on the website along with a Word version of the old Form 131.

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A4. You can find the new MMS-131 form and its instructions at

[http://www.gomr.boemre.gov/homepg/forms/frmin
dx.html](http://www.gomr.boemre.gov/homepg/forms/frmin
dx.html)

Old NTL's are public documents that are archived on the website for reference purposes.

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Q5. Given the effective date of the rule was November 15, 2010 for performance measures reporting, many operators have not collected performance data per NTL2008-N04 on MMS-131. Please confirm that supplying data for November 15 thru December 31, 2010 meets the reporting requirement for calendar year 2010.

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A5. No, that does not meet the reporting requirement. However, we understand time may be needed for some operators to build out their reporting capabilities to address company and contractor man-hours worked quarterly. We expect operators to submit data for Form 131 based upon ALL of calendar year 2010. We will not issue an INC for the quality of the data but will issue an INC if Form 131 is not submitted.

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Q6. Since all elements of our SEMS are not applicable to certain contractor functions, we only plan to make contractors familiar with those elements that are applicable to their work. Is this consistent with the intent of the regulation?

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A6. It is the operator's responsibility to ensure his contractors adhere to his SEMS program, in particular for the work they conduct. However, there are elements of SEMS that don't speak directly to a contractor's work that may be important for the contractor to know and understand.

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- Q7.** How long does environmental information have to be kept, for example, the number and sizes of oil spills (this is part of the performance measures and Form MMS-131).
- A7.** Form MMS-131 is a reporting requirement separate from RP 75 documentation data. BOEMRE need for this data is only on an annual basis. Other agencies may have other requirements for this data.

Contact Information

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Please Submit questions

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A copy of SEMS presentation can be found at:

<http://boemre.gov/semp/why.htm>