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RPT

July 16, 1999

Department of the Interior
Minerals Management Service
Mail Stop 4024
381 Elden Street
Herndon, Virginia 20170-4817

Attention: Rules Processing Team

Dear Sir or Madam:

The American Petroleum Institute (API) appreciates the opportunity to submit comments on the Minerals Management Service (MMS) proposed rule on Training of Lessee and Contractor Employees Engaged in Oil and Gas and Sulphur Operations in the Outer Continental Shelf (OCS).

API represents over 400 companies involved in all aspects of the oil and gas industry, including exploration, production, transportation, refining and marketing. Many of our members will be significantly impacted by changes to the existing Subpart O training requirements for OCS operations.

We commend the MMS's stated objectives of developing a "performance-based training system" and providing "increased training flexibility".

However, in an effort to move to a "performance based program" MMS has proposed to discontinue the existing training program certification process, and shift a substantial paperwork burden to oil and gas operators and contractors. Also, as written the proposal greatly expands the scope of existing offshore regulations to not just drilling, well control, production safety system and well servicing personnel, but to every lessee employee, contractor and subcontractor working on the OCS. The potential cost impact and paperwork requirements on the offshore industry and MMS far exceed the MMS estimates stated in the proposal.

Our members are deeply concerned that MMS is unnecessarily proposing new regulations when the existing regulatory program is not broken. The current regulations allow flexibility and are as "performance-based" as the overly-burdensome, prescriptive proposal.

By requiring operators to develop detailed and prescriptive written training plans that include every offshore worker, MMS is overlooking the fact that training is a key

element of a company's Safety and Environmental Management Program (SEMP). SEMPs require that all operating personnel, maintenance personnel, and contractors are qualified to perform their jobs. The proposal would lead to regulations that would make existing training programs under SEMP obsolete and cause duplication and confusion within the regulated community.

We recommend that MMS withdraw the proposal, and retain the existing regulatory program. However, if MMS does move forward with this rulemaking, we have enclosed detailed comments for your consideration.

If you have any questions on our comments, please contact me.

Sincerely,

Jim Sampson

MMS Proposed Rule - 30 CFR 250; 4/20/99 FR 19318
Subpart O Training

Section	MMS Proposed Language	Recommended Language/Comments	Rationale
250.1500	*Employee* means lessee or contractor employees.	*Employee* means lessee or contractor employees.	Editorial correction.
250.1501	What is the goal of my training program? The goal of your training program is safe and clean OCS operations. To accomplish this goal, you must ensure that your employees are experienced and competent in their respective work assignments.	What is the goal of my training program? The goal of your training program is safe and clean OCS operations. To accomplish this goal, you must ensure that your employees are ~~experienced and~~ competent in their respective work assignments.	The requirement "experienced" would preclude "new hire employees".
250.1502	What are my general responsibilities for training? (a) You must ensure that your employees are properly trained in the job skills and safety knowledge elements for their positions. We regard the job skills and safety knowledge elements in this subpart as the minimum qualifications OCS workers must have to complete their assigned duties safely and in a manner which protects the environment. You may expand the knowledge elements as appropriate for particular operations. Because you are accountable for the performance of your employees, you must focus on training results, regardless of the method or process used to train them.	What are my general responsibilities for training? (a) You must ensure that **lessee and contractor employees engaged in drilling, well-completion, well-workover, or production safety systems operations in the Outer Continental Shelf (OCS) shall be trained in the proper operation of equipment, methods of operation, and techniques to avoid hazards to people and property to prevent pollution of the environment.** ~~your employees are properly trained in the job skills and safety knowledge elements for their positions. We regard the job skills and safety knowledge elements in this subpart as the minimum~~	Clarifies, in plain English, which personnel are to be trained. The proposal, as written, significantly expands the scope of the rule from the current production safety system training and well control regulations to include all lessee and contractor employees, regardless of job role on the lease. This expansion of scope is significantly beyond the existing requirements and the original intent of the proposed rule. As proposed, it could be interpreted to include catering staff, marine, helicopter, and other third party "contractor" personnel. This lack of clarity will cause confusion in "training ownership" as well as the diversity of training programs that may exist from lessee to lessee. This would be onerous

	(b) You must have a training plan which specifies the type, method, length, frequency, and content of the training. This plan must include at least the following information: (1) Training in operating procedures, welding, burning, hot tapping practices, safe work practices, emergency response and control measures. (2) Training and job qualification requirements for each employee's position. (3) Procedures for maintaining and enhancing job skill requirements, including the latest technological advancements. (4) Procedures for evaluating contractor personnel. (5) Procedures for verifying the skills of employees on a periodic basis. (6) Recordkeeping and documentation procedures. (7) Audit procedures for your training plan.	~~qualifications OCS workers must have to complete their assigned duties safely and in a manner which protects the environment. You may expand the knowledge elements as appropriate for particular operations. Because you are accountable for the performance of your employees, you must focus on training results, regardless of the method or process used to train them.~~ (b) **You must have a training program so that all personnel identified in 250.1502a are trained to work safely and are aware of environmental considerations offshore, in accordance with their duties and responsibilities**. ~~plan which specifies the type, method, length, frequency, and content of the training. This plan must include at least the following information:~~ ~~(1) Training in operating procedures, welding, burning, hot tapping practices, safe work practices, emergency response and control measures.~~ ~~(2) Training and job qualification requirements for each employee's position.~~ ~~(3) Procedures for maintaining and enhancing job skill requirements, including the latest technological advancements.~~ ~~(4) Procedures for evaluating contractor personnel.~~ ~~(5) Procedures for verifying the skills~~	and significantly costly on all contractors and lessees, with little environmental or safety benefit. Also, many of the proposed requirements are redundant with other sections of 30CFR250. The requirement for all lessees to develop a detailed training program which includes training and job qualification requirements for each position for all employees, lessee or contractor, will result in a significant increase in administrative burden and cost. The proposal for a detailed, documented training plan is extremely prescriptive, and goes far beyond the MMS intent of developing a performance-based regulation. Most operators have voluntarily developed SEMPs which address training as a key element. This proposal would make many of the existing training programs obsolete. The proposal will force many companies to hire additional staff or contractors to develop and maintain the prescriptive plans – far exceeding the cost burden described under "Supplementary Information".

	(c) You must keep copies of your training plan and documentation for each employee for 5 years at the lessee's or contractor's field office, Headquarters office, or at another location conveniently available to the MMS Regional Supervisor, Field Operations.	~~of employees on a periodic basis.~~ ~~(6) Recordkeeping and documentation procedures.~~ ~~(7) Audit procedures for your training plan.~~ ~~(c) You must keep copies of your training plan and documentation for each employee for 5 years at the lessee's or contractor's field office, Headquarters office, or at another location conveniently available to the MMS Regional Supervisor, Field Operations.~~	A five-year record retention for documentation for all employees (plus contractors and subcontractors) is costly and unwarranted. Availability of current records for existing lessee employees is more reasonable. What is the benefit of retaining out-of-date information? How is this performance-based?
250.1504	What well control training must my employees receive? Employees must receive training in well control knowledge and skills as indicated in the following table:	What well control training must my employees receive? Employees must receive training in well control knowledge and skills. ~~as indicated in the following table:~~ ***Delete table***	The table is far too prescriptive for a rule that MMS intends to be "performance-based".
250.1505	What training must my production safety system employees receive?	What training must my production safety system employees receive? **Employees must receive training in safety and pollution prevention for OCS operations.** ***Delete remainder of 250.1505***	We agree that these may be key elements but all elements may not be appropriate in all situations. The proposed wording restricts training flexibility.

250.1508	What other types of training must my employees receive? Your employees must receive other training as shown in the following table.	What other types of training must my employees receive? Your **applicable** employees must receive other training as shown in the following table. .... ***Expand table to include other applicable training such as welding, burning, and hot tapping.***	Clarification.
250.1509	How often must I train my employees? ...and keep them current in the latest technological advances and regulatory changes.	How often must I train my employees? ...and keep them current in the latest **applicable** technological advances and regulatory changes.	Clarify that an employee needs to be kept current on information that relates to his or her particular job.
250.1510	How will MMS measure training results? (1) Training system audit. A training system audit may be conducted by MMS personnel and/or its authorized representative at your office. You will be asked to explain your overall training program. This review may include an evaluation of your training plans and/or records. (3) Written test. MMS personnel and/or its authorized representative may conduct testing at either onshore or offshore locations for the purpose of evaluating an individual's knowledge of the training elements specified in this subpart. Your performance will be evaluated on how your employees perform relative to past written tests or compared to the	How will MMS measure training results? (1) Training system audit. A training system audit may be conducted by MMS personnel and/or its authorized representative at your office. You will be asked to explain your overall training program **as it relates to personnel identified in 250.1502a.** This review may include an evaluation of your training **program** ~~plans~~ and/or records. ~~(3) Written test.~~ ~~MMS personnel and/or its authorized representative may conduct testing at either onshore or offshore locations for the purpose of evaluating an individual's knowledge of the training elements specified in this subpart. Your performance will be evaluated on how~~	This adds clarification that the scope of the rule applies only to certain personnel in a training program. Written tests should not be used as an indicator of an employee's competency or the effectiveness of employee training. MMS will want to provide advance notice so that the lessee can avoid

	written test scores of other companies. 4) Hands-on production safety, simulator, or live well testing. MMS personnel and/or its authorized representative may conduct tests at either onshore or offshore locations. Tests will be designed to evaluate the performance of employees in the job skills and safety knowledge elements identified in this subpart. You are responsible for the costs associated with this testing.	~~your employees perform relative to past written tests or compared to the written test scores of other companies. 4) Hands-on production safety, simulator, or live well testing. MMS personnel and/or its authorized representative may conduct tests at either onshore or offshore locations. Tests will be designed to evaluate the performance of employees in the job skills and safety knowledge elements identified in this subpart. You are responsible for the costs associated with this testing.~~	unnecessary costs and impacts on operations. For example, pulling personnel out of operations could force unnecessary shut-ins, unscheduled transportation costs, overtime, and the need to temporarily replace any key personnel being tested. If lessees or contractors are required by MMS to have personnel tested by specific third parties, MMS should ensure that such costs are reasonable.
250.1511	What must I do when MMS administers written tests? If MMS tests your employees at either your worksite or an onshore location, you must: (a) Allow MMS and/or its authorized representative to administer written tests to your employees. (b) Identify your employees by current position, years of experience in present position, years of total oil field experience, and employer's name (e.g., operator, contractor, or sub-contractor company name).	***Delete this Section and other requirements for written testing***	A number of stakeholders (lessee representatives, contractors, and experienced trainers), have repeatedly pointed out to MMS staff at workshops and in prior comments that written testing is not a viable measure of the competency of an individual. There is no environmental and safety benefit of "years of experience" and "years of total oil field experience". The MMS proposal would require a lessee to develop a massive personnel matrix, requiring constant updating. Staff resources would have to be hired by all companies, lessee, and contractors, to keep up with the resumes of offshore personnel – with little benefit. MMS can assess the performance of a lessee and observe on-the-job performance of personnel without

			singling out individuals to subject to testing. This testing will provide no valid indicators of a lessee's overall performance or the effectiveness of its training program. Prior MMS testing has posed questions to personnel that have no relationship to job competency or the job being performed.
250.1512	What must I do when MMS requires hands-on, simulator, or other types of testing? If MMS conducts or requires you to conduct hands-on, simulator, or other types of testing, you must: (a) Allow MMS and/or its authorized representative to administer or witness the testing. (b) Identify your employees by current position, years of experience in present position, years of total oil field experience, and employer's name (e.g., operator, contractor, or sub-contractor company name). (c) Pay for all costs associated with the testing.	***Delete this Section and other requirements for hands-on, simulator, or other types of individual testing***	If MMS decides to conduct simulator testing, it should be done in conjunction with onshore training schools to avoid unnecessary disruption to operations and added costs to lessees, contractors, and MMS.

250.1513	What will MMS do if my employees are not properly trained? If MMS determines that you are not training your employees to perform their jobs effectively, we may initiate one or more of the following enforcement actions: (a) Issue an Incident of Noncompliance; (b) Require you to revise and submit to MMS your training plan to address identified deficiencies; (c) Assess civil/criminal penalties; or (d) Initiate disqualification procedures.	What will MMS do if my employees are not properly trained? If MMS determines that you are not training your employees to perform their jobs effectively, we may ~~initiate one or more of the following enforcement actions:~~ ~~(a) Issue an Incident of noncompliance;~~ ~~(b)~~ Require you to revise <u>your program</u> ~~and submit to MMS your training plan~~ to address identified deficiencies <u>and review your revised program with MMS.</u> ~~(c) Assess civil/criminal penalties; or~~ ~~(d) Initiate disqualification procedures.~~	Industry has repeatedly commented to MMS that individual testing is not a true measure of an employee's capabilities or training and is inappropriate. If MMS chooses to conduct testing, and an employee fails the test, MMS should identify the measure to the lessee so that the lessee can reassess his training, if necessary – no penalty should be placed on the lessee. All but (b), as revised, should be deleted as it is redundant with other parts of 30CFR250. If deficiencies are found based on objective evidence, the lessee should be advised of the deficiencies and provided an opportunity to revise his training program as appropriate. Failure to respond to MMS in a timely manner could result in appropriate enforcement action.

MMS Proposed Rule - 30 CFR 250; 4/20/99 FR 19318
Subpart O Training

Section	MMS Proposed Language	Recommended Language/Comments	Rationale
250.1500	*Employee* means lessee or contractor employees.	*Employee* means lessee or contractor employees.	Editorial correction.
250.1501	What is the goal of my training program? The goal of your training program is safe and clean OCS operations. To accomplish this goal, you must ensure that your employees are experienced and competent in their respective work assignments.	What is the goal of my training program? The goal of your training program is safe and clean OCS operations. To accomplish this goal, you must ensure that your employees are ~~experienced and~~ competent in their respective work assignments.	The requirement "experienced" would preclude "new hire employees".
250.1502	What are my general responsibilities for training? (a) You must ensure that your employees are properly trained in the job skills and safety knowledge elements for their positions. We regard the job skills and safety knowledge elements in this subpart as the minimum qualifications OCS workers must have to complete their assigned duties safely and in a manner which protects the environment. You may expand the knowledge elements as appropriate for particular operations. Because you are accountable for the performance of your employees, you must focus on training results, regardless of the method or process used to train them.	What are my general responsibilities for training? (a) You must ensure that **lessee and contractor employees engaged in drilling, well-completion, well-workover, or production safety systems operations in the Outer Continental Shelf (OCS) shall be trained in the proper operation of equipment, methods of operation, and techniques to avoid hazards to people and property to prevent pollution of the environment.** ~~your employees are properly trained in the job skills and safety knowledge elements for their positions. We regard the job skills and safety knowledge elements in this subpart as the minimum~~	Clarifies, in plain English, which personnel are to be trained. The proposal, as written, significantly expands the scope of the rule from the current production safety system training and well control regulations to include all lessee and contractor employees, regardless of job role on the lease. This expansion of scope is significantly beyond the existing requirements and the original intent of the proposed rule. As proposed, it could be interpreted to include catering staff, marine, helicopter, and other third party "contractor" personnel. This lack of clarity will cause confusion in "training ownership" as well as the diversity of training programs that may exist from lessee to lessee. This would be onerous

	(b) You must have a training plan which specifies the type, method, length, frequency, and content of the training. This plan must include at least the following information: (1) Training in operating procedures, welding, burning, hot tapping practices, safe work practices, emergency response and control measures. (2) Training and job qualification requirements for each employee's position. (3) Procedures for maintaining and enhancing job skill requirements, including the latest technological advancements. (4) Procedures for evaluating contractor personnel. (5) Procedures for verifying the skills of employees on a periodic basis. (6) Recordkeeping and documentation procedures. (7) Audit procedures for your training plan.	~~qualifications OCS workers must have to complete their assigned duties safely and in a manner which protects the environment. You may expand the knowledge elements as appropriate for particular operations. Because you are accountable for the performance of your employees, you must focus on training results, regardless of the method or process used to train them.~~ (b) **You must have a training program so that all personnel identified in 250.1502a are trained to work safely and are aware of environmental considerations offshore, in accordance with their duties and responsibilities**. ~~plan which specifies the type, method, length, frequency, and content of the training. This plan must include at least the following information:~~ ~~(1) Training in operating procedures, welding, burning, hot tapping practices, safe work practices, emergency response and control measures.~~ ~~(2) Training and job qualification requirements for each employee's position.~~ ~~(3) Procedures for maintaining and enhancing job skill requirements, including the latest technological advancements.~~ ~~(4) Procedures for evaluating contractor personnel.~~ ~~(5) Procedures for verifying the skills~~	and significantly costly on all contractors and lessees, with little environmental or safety benefit. Also, many of the proposed requirements are redundant with other sections of 30CFR250. The requirement for all lessees to develop a detailed training program which includes training and job qualification requirements for each position for all employees, lessee or contractor, will result in a significant increase in administrative burden and cost. The proposal for a detailed, documented training plan is extremely prescriptive, and goes far beyond the MMS intent of developing a performance-based regulation. Most operators have voluntarily developed SEMPs which address training as a key element. This proposal would make many of the existing training programs obsolete. The proposal will force many companies to hire additional staff or contractors to develop and maintain the prescriptive plans – far exceeding the cost burden described under "Supplementary Information".

	(c) You must keep copies of your training plan and documentation for each employee for 5 years at the lessee's or contractor's field office, Headquarters office, or at another location conveniently available to the MMS Regional Supervisor, Field Operations.	~~of employees on a periodic basis.~~ ~~(6) Recordkeeping and documentation procedures.~~ ~~(7) Audit procedures for your training plan.~~ ~~(c) You must keep copies of your training plan and documentation for each employee for 5 years at the lessee's or contractor's field office, Headquarters office, or at another location conveniently available to the MMS Regional Supervisor, Field Operations.~~	A five-year record retention for documentation for all employees (plus contractors and subcontractors) is costly and unwarranted. Availability of current records for existing lessee employees is more reasonable. What is the benefit of retaining out-of-date information? How is this performance-based?
250.1504	What well control training must my employees receive? Employees must receive training in well control knowledge and skills as indicated in the following table:	What well control training must my employees receive? Employees must receive training in well control knowledge and skills. ~~as indicated in the following table:~~ ***Delete table***	The table is far too prescriptive for a rule that MMS intends to be "performance-based".
250.1505	What training must my production safety system employees receive?	What training must my production safety system employees receive? **Employees must receive training in safety and pollution prevention for OCS operations.** ***Delete remainder of 250.1505***	We agree that these may be key elements but all elements may not be appropriate in all situations. The proposed wording restricts training flexibility.

250.1506	What other types of training must my employees receive? Your employees must receive other training as shown in the following table.	What other types of training must my employees receive? Your **applicable** employees must receive other training as shown in the following table. .... ***Expand table to include other applicable training such as welding, burning, and hot tapping.***	Clarification.
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250.1511	What must I do when MMS administers written tests? If MMS tests your employees at either your worksite or an onshore location, you must: (a) Allow MMS and/or its authorized representative to administer written tests to your employees. (b) Identify your employees by current position, years of experience in present position, years of total oil field experience, and employer's name (e.g., operator, contractor, or sub-contractor company name).	***Delete this Section and other requirements for written testing***	A number of stakeholders (lessee representatives, contractors, and experienced trainers), have repeatedly pointed out to MMS staff at workshops and in prior comments that written testing is not a viable measure of the competency of an individual. There is no environmental and safety benefit of "years of experience" and "years of total oil field experience". The MMS proposal would require a lessee to develop a massive personnel matrix, requiring constant updating. Staff resources would have to be hired by all companies, lessee, and contractors, to keep up with the resumes of offshore personnel – with little benefit. MMS can assess the performance of a lessee and observe on-the-job performance of personnel without

			singling out individuals to subject to testing. This testing will provide no valid indicators of a lessee's overall performance or the effectiveness of its training program. Prior MMS testing has posed questions to personnel that have no relationship to job competency or the job being performed.
250.1512	What must I do when MMS requires hands-on, simulator, or other types of testing? If MMS conducts or requires you to conduct hands-on, simulator, or other types of testing, you must: (a) Allow MMS and/or its authorized representative to administer or witness the testing. (b) Identify your employees by current position, years of experience in present position, years of total oil field experience, and employer's name (e.g., operator, contractor, or sub-contractor company name). (c) Pay for all costs associated with the testing.	***Delete this Section and other requirements for hands-on, simulator, or other types of individual testing***	If MMS decides to conduct simulator testing, it should be done in conjunction with onshore training schools to avoid unnecessary disruption to operations and added costs to lessees, contractors, and MMS.

250.1513	What will MMS do if my employees are not properly trained? If MMS determines that you are not training your employees to perform their jobs effectively, we may initiate one or more of the following enforcement actions: (a) Issue an Incident of Noncompliance; (b) Require you to revise and submit to MMS your training plan to address identified deficiencies; (c) Assess civil/criminal penalties; or (d) Initiate disqualification procedures.	What will MMS do if my employees are not properly trained? If MMS determines that you are not training your employees to perform their jobs effectively, we may ~~initiate one or more of the following enforcement actions:~~ ~~(a) Issue an Incident of noncompliance;~~ ~~(b)~~ Require you to revise **your program** ~~and submit to MMS your training plan~~ to address identified deficiencies **and review your revised program with MMS.** ~~(c) Assess civil/criminal penalties; or~~ ~~(d) Initiate disqualification procedures.~~	Industry has repeatedly commented to MMS that individual testing is not a true measure of an employee's capabilities or training and is inappropriate. If MMS chooses to conduct testing, and an employee fails the test, MMS should identify the measure to the lessee so that the lessee can reassess his training, if necessary – no penalty should be placed on the lessee. All but (b), as revised, should be deleted as it is redundant with other parts of 30CFR250. If deficiencies are found based on objective evidence, the lessee should be advised of the deficiencies and provided an opportunity to revise his training program as appropriate. Failure to respond to MMS in a timely manner could result in appropriate enforcement action.