

INSIGHTS

Coast Guard Looks to Expand Safety and Environmental Management Systems to Vessels on the OCS

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On September 10, 2013, the U.S. Coast Guard published an [Advance Notice of Proposed Rulemaking](#) (ANPRM) in the Federal Register stating its intent to propose regulations that will require vessels engaged in exploration, development or production activities on the Outer Continental Shelf (OCS) to develop, implement, and maintain a vessel-specific Safety and Environmental Management System (SEMS). The proposed rulemaking would be far-reaching as the Coast Guard estimates that approximately 2,200 foreign and domestic vessels engaged in OCS activities could be affected by this regulatory action, including offshore supply vessels (OSVs), liftboats, mobile offshore drilling units (MODUs), and other vessels under Coast Guard jurisdiction. The ANPRM envisions that the SEMS developed by the vessel's owner or operator will be compatible with the lease operator's SEMS required under existing Bureau of Safety and Environmental Enforcement (BSEE) regulations, which can be found in [30 CFR part 250, subpart S](#). The BSEE regulations currently require designated lease operators to develop, implement, and maintain a SEMS program based on the American Petroleum Institute's Recommended Practice for Development of a Safety and Environmental Management Program for Offshore Operations and Facilities (API RP 75). However, under the BSEE regulations, contractors are not required to have a SEMS program. The Coast Guard's proposed regulations would require that vessel owners and operators implement a vessel-specific SEMS that incorporates the management program and principles of API RP 75. The SEMS would establish vessel-specific safe operating procedures, work practices, management of change procedures, and associated training. The SEMS would also be subject to periodic safety audits. The Coast Guard seeks comments on whether a SEMS that incorporates the management program and principles of API RP 75 would be appropriate for vessels engaged in OCS activities. The Coast Guard also seeks input on whether compliance with the [Safety Management System standards of the International Safety Management \(ISM\) Code](#) should be an alternative means of satisfying the elements of API RP 75. In total, the Coast Guard seeks comments on 15 specific areas of inquiry related to the proposed rulemaking. The comment period for the ANPRM ends on December 9, 2013. We plan to closely monitor how the Coast Guard proceeds with the gathering of information for the proposed rulemaking, and how it frames the requirements once it publishes the proposal.