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STATEMENT OF REAR ADMIRAL KEVIN COOK DIRECTOR OF PREVENTION POLICY

"WORKER HEALTH AND SAFETY STANDARDS RELATED TO THE OIL INDUSTRY, OIL RIGS, AND DRILLING"

BEFORE THE HOUSE COMMITTEE ON EDUCATION & LABOR

JUNE 23, 2010

INTRODUCTION

Good morning Mr. Chairman and distinguished members of the Committee. I appreciate the opportunity to appear before you to discuss issues related to the health and safety of all individuals working on the outer continental shelf. In my role as Coast Guard Director of Prevention Policy, one of my primary responsibilities is to oversee the compliance of vessel, offshore facility, and mobile offshore drilling units with all applicable U.S. and international laws, regulations, and policies.

On the evening of April 20, 2010, the Transocean-owned, BP-chartered, Marshall Islands-flagged Mobile Offshore Drilling Unit DEEPWATER HORIZON, located approximately 72 miles Southeast of Venice, Louisiana, reported an explosion and fire onboard. This began as a Search and Rescue mission—within the first few hours, 115 of the 126 crewmembers were safely recovered; Search and Rescue activities continued through April 23, but the remaining 11 crewmembers were never found.

Concurrent with the Search and Rescue mission, efforts to extinguish the fire and mitigate the impacts of the approximately 700,000 gallons of diesel fuel onboard began almost immediately. After two days of these efforts, on April 22, the Mobile Offshore Drilling Unit sank into approximately 5,000 feet of water. On April 23, remotely operated vehicles located the Mobile Offshore Drilling Unit on the seafloor, and on April 24, BP found the first two leaks in the riser pipe and alerted the federal government. Within 24 hours of leaks being detected, the Coast Guard's Federal on Scene Coordinator (FOSC) accessed the Oil Spill Liability Trust Fund (OSLTF) to ensure funds were available to speed the federal response to the threat of an oil spill. Remotely operated vehicles continue to monitor the flow of oil.

The Federal on-scene Coordinator established the Unified Area Command on April 23 in Robert, LA. The Unified Area Command utilized the Incident Command System as a proven organizational structure for incident management in accordance with the National Response Framework and the National Oil and Hazardous Substances Pollution Contingency Plan. The function of Incident Command System is to provide a common method for developing and implementing tactical plans to efficiently and effectively manage a multi-agency response to an emergency, such as an oil spill. The Incident Command System organization for this response includes Incident Command Posts and Unified Commands at the local level, and a Unified Area Command at the regional level. It is comprised of representatives from the Coast Guard (the FOSC), other federal, state and local agencies, as well as BP as a responsible party.

From the very beginning of this crisis, the federal government has been in charge of the largest environmental cleanup effort in our nation's history – an effort led by Admiral Thad Allen, who has almost forty years of experience responding to disasters. Thousands of ships and other vessels have been deployed to the Gulf. There are now nearly 33,000 personnel who are working across four states to contain and clean up the oil. These personnel are assisting in efforts to prevent more oil from coming ashore, clean beaches, train response workers, and help process claims.

As a result of our efforts, millions of gallons of oil have already been removed from the water through burning, skimming, and other removal methods. Over five-and-a-half million feet of boom has been laid to block and absorb the approaching oil. We have approved the construction of new barrier islands in Louisiana in an effort to stop the oil before it reaches the shore, and we are working with Alabama, Mississippi, and Florida to implement creative approaches to protect their unique coastlines.

INSPECTION OF OIL PLATFORMS

The Minerals Management Service (MMS) is responsible for inspecting oil platforms on behalf of the Coast Guard, using Coast Guard regulations. Because Mobile Offshore Drilling Units are considered vessels, however, they also fall under the purview of the Coast Guard's inspection regime. Each Mobile Offshore Drilling Unit documented under the laws of a foreign nation must obtain a Letter of Compliance (now called a Certificate of Compliance) from the Coast Guard prior to engaging in outer continental shelf activities. When a foreign flagged Mobile Offshore Drilling Unit, such as DEEPWATER HORIZON, enters U.S. waters, the owner must contact the Coast Guard and request a Certificate of Compliance inspection. A Certificate of Compliance is valid for a two-year period in accordance with 33 CFR 143.210.

In order to issue a Certificate of Compliance, one of three conditions must be met:

- The Mobile Offshore Drilling Unit is constructed to meet design and equipment standards of the I.S. Coast Guard's regulations at 46 CFR part 108;
- The Mobile Offshore Drilling Unit is constructed to meet the design and equipment standards of the documenting nation (flag state) if the standards provide a level of safety generally equivalent to or greater than that provided under 46 CFR part 108; or
- The Mobile Offshore Drilling Unit is constructed to meet the design and equipment standards for Mobile Offshore Drilling Units contained in the International Maritime Organization Code for the construction and equipment of Mobile Offshore Drilling Units.

CERTIFICATE OF COMPLIANCE/CERTIFICATE OF INSPECTION

The Coast Guard is responsible for carrying out the inspections, tests and surveys required to issue the necessary statutory certificates on U.S. Mobile Offshore Drilling Units. For foreign vessels, the flag state--or authorized recognized organization (RO) working on behalf of the flag state--carries out the inspections, tests and surveys required to issue the statutory certificates. The Coast Guard performs port state-level examinations on foreign vessels to verify that the flag state has met its responsibilities and that the Mobile Offshore Drilling Unit meets the appropriate international and domestic requirements.

RESPONSIBILITIES FOR WORKER SAFETY

The Outer Continental Shelf Lands Act, 43 USC 1331 et seq., enacted in 1953 and amended in 1978, grants the Coast Guard certain workplace safety authority on the outer continental shelf. The Act requires the Coast Guard to promulgate regulations or standards applying to "unregulated hazardous working conditions related to activities on outer continental shelf upon a determination that such regulations or standards are necessary" (43 USC 1347 (c)), and preserves the authority of other agencies with respect to outer continental shelf on matters related to their respective areas of expertise (43 USC 1347(d)).

The Coast Guard has promulgated regulations on many occupational safety issues on the outer continental shelf within the realm of its maritime safety expertise (e.g. personal protective equipment, lifesaving and firefighting). The Coast Guard standards for workplace safety on the outer continental shelf may be found in 33 CFR Parts 140-147.

Under a Memorandum of Understanding between the Coast Guard and OSHA dated Dec. 19, 1979, the agencies set forth procedures intended to avoid duplication regarding the issuance of citations for violations, while still retaining each agency's respective responsibilities. The Memorandum of Understanding emphasizes the Coast Guard's role as the "principal Federal agency in matters of occupational safety and health on the outer continental shelf," and is directed toward "minimize[ing] the need for OSHA's routine inspection authority."

MMS has also promulgated certain safety and health regulations, primarily pertaining to fire and explosion hazards, 30 CFR 250.106 et seq.

CONCLUSION

In closing, I would like to reiterate that the Coast Guard's role as the principal Federal agency in matters of occupational safety and health on the outer continental shelf and it's commitment to the safety and health of all individuals working on the outer continental shelf. The Coast Guard will continue to cooperate with OSHA and MMS to maximize the safety and health protection of mariners and streamline our efforts.

Thank you again for the opportunity to testify today. I am happy to answer any questions you may have.