



Offshore Marine Service Association

990 N. Corporate Drive

Harahan, LA 70123

Phone (504) 734-7622

Fax (504) 734-7134

www.offshoremarine.org

www.maritimeemployment.com



This Month's Edition Sponsored By
The International WorkBoat Show

www.workboatshow.com



In This Issue

- Coast Guard Issues Guidelines For Medical And Physical Evaluations Of Mariners
- Alternative Security Plan Replacement
- Annual Vessel Security Exercise
- Offshore Personnel Transfer By Basket
- New Passport Rules May Create Confusion
- Customs Proposes Changes To Passenger Reporting
- TWIC Rules Expected Out By End Of Year
- New Faces / New Approaches In Congress
- MMS Takes Comments On Five Year Plan
- First Annual OMSA Legal Forum Is Successful
- OMSA Christmas Party Around The Corner
- Mark Your Calendars
- OMSA Events For 2007
- OMSA Seeks Part-Time Assistant
- Sponsor Profile -
The International WorkBoat Show

Mark Your Calendar

OMSA Christmas Dinner Dance

Hilton New Orleans Riverside

December 8th

Contact Lillie @ (504) 734-7622 for reservations

The next meeting of the association will be

Thursday January 25, 2007

Hilton New Orleans Riverside



Coast Guard Issues Proposed Policy On “Medical And Physical Evaluation Guidelines For Merchant Mariner Credentials”

On September 28th the Coast Guard released its proposed guidelines for evaluation of the medical and physical fitness of mariners. The published deadline for submitting comments is November 27, 2006. The guidelines were published in the form of a draft Navigation Vessel Inspection Circular. The stated reason for publishing these guidelines is to provide specific information that the Coast Guard, mariners and medical practitioners can use to evaluate whether or not a mariner is “physically able to perform” their duties and “in good health.” The goal of the NVIC is to create consistency in evaluating mariner health and fitness, and reduce confusion in the processing of mariner credential applications.

OMSA staff conducted an analysis of the proposed policy and consulted members on the effect that this policy would have on the offshore industry. The analysis indicates this proposal will negatively affect the ability of many mariners to continue working and add an additional administrative burden to a significant portion of mariners when they apply to renew or upgrade their Coast Guard credentials. It is estimated that up to 20% of mariners may be required to request a medical waiver under the new policy.

OMSA has submitted detailed comments on the policy. Additionally OMSA has requested the Coast Guard leave the policy in draft form and delay its implementation until significant industry concerns have been addressed. Companies and mariners can review the proposed policy, OMSA’s comments and those of other concerned industry personnel online.

Companies and mariners can help the Coast Guard understand the effect this policy will have on industry by submitting comments, even if they are submitted after the Monday November 27th deadline.

The Coast Guard docket is USCG-2006-25080. To review the NVIC or submit a comment go online to <http://dms.dot.gov/search/searchFormSimple.cfm>. Enter 25080 and click on search. If there are any questions contact the OMSA staff at (504) 734-7622.

Alternative Security Program Plan Replacement

Vessels that utilize the OMSA Alternative Security Program Plan downloaded prior to October 30, 2006 must replace that plan with the newly Coast Guard approved plan. The new plans must be on participating vessels no later than December 10, 2006.

A working group of the OMSA Security Committee worked this year to update and rewrite the OMSAASP Plan. The original plan was written immediately after the implementation of new security regulations and prior to any experience with offshore vessel security plans. The new plan is more user friendly and straight forward. The new plan takes the best elements of the previous plan and eliminates many of the confusing elements of the old.



The plan was submitted to the Coast Guard and approved in October. The existing OMSA ASP has been replaced.

To replace the ASP, participants will follow the same procedure as when they first entered each plan. The difference is that most of the data is already in the system and generally a CSO will only be verifying its accuracy.

All of the existing vessel plans were unlocked for review and editing on October 30th. Each user of the OMSA ASP must complete the following:

- Review each vessel file.
- Check all of the data in the vessel data sheets and on-scene security survey.
- Correct or update any items that may have changed since the data was originally entered.
- When all corrections are complete send an email to kenparris@offshoremarine.org informing OMSA that the changes are complete.
- HudsonTrident will then lock the plan, preventing any further editing.
- OMSA will send an email that the plans are available for printing
- Print the new plan, one copy for the vessel and one for the office.
- Replace the old plans with the new plans.
- Shred the old plan. It is SSI and must not be lost. It must be destroyed. Make a record of the destruction and keep it in the company security records.
- Send the letter found in the "Additional Resources" section of the website to the Coast Guard informing them that the vessels are participating in the revised OMSA ASP.

HudsonTrident will reprint the plans for companies at a cost of \$100 per vessel. Contact John Obrien john.obrien@hmms-usa.com for details.

The OMSA international plan has not been submitted for re-approval.

International plans are not affected by this change.

Users of the OMSA international security plan will not need to replace it at this time. The OMSA international security plan will be submitted for re-approval in the near future. However, Change (3) is now available for download.

Contact Ken Parris of the OMSA staff if there are any questions.

Annual Security Exercise

Each year every vessel that carries an approved security plan must participate in a security exercise. This exercise is in addition to the quarterly security drills required under the regulations. The exercise will be held on January 10th, 2007

This year OMSA will hold its annual security exercise at the Petroleum Club of Morgan City, LA. Every company that holds an OMSA security plan (ASP or International) is required to participate. This will be a tabletop exercise just like last year. The company security officer or their designated representative must participate.



Vessels that have participated in Coast Guard security exercises or other exercises designated as meeting the annual Coast Guard exercise requirement may be excused, but are advised to obtain a participation letter from the Coast Guard as proof of participation. Contact Ken Parris of the OMSA staff for any questions.

Offshore Personnel Transfer By Basket

One of OMSA's goals for 2006 has been to address the issue of personnel basket transfer incidents. To accomplish that goal OMSA staff and members of a working group on basket transfer safety have taken two basic steps.

1 - Develop baseline accident statistics:

While everyone would agree if asked that personnel transfer by basket presents a risk, there is no good data available on the number of transfers performed each year and the incident rate for those transfers. Until a good dataset can be established the industry does not truly know the extent of the perceived problem. OMSA has begun a data collection effort in order to fill in this gap. A simple survey form was sent to all vessel operators requesting that they collect data over a two-week period. Results of the surveys are being collected and the data will be analyzed and used to develop and estimate of annual basket transfers. If any company did not receive the survey or did not complete the survey they can still participate. Contact Ken Parris of the OMSA staff for the survey forms.

2 - Develop OMSA consensus procedures for offshore personnel transfer:

The group believed that OMSA should produce a document that represented the collective best practices regarding offshore personnel transfer by basket. Concurrently with the collection of data the working group and OMSA staff developed a document that consolidated in a single document the personnel transfer practices and Job Safety Analysis (JSA) from world-wide sources ranging from Europe to Australia, OMSA member companies, customers and manufacturers. The practices collected were melded together to create a single consensus document. The consensus document has been reviewed by the working group and is now in review by the members of the OMSA safety committee.

Next Step – Deployment

The next step will be a primary agenda item for a January meeting. To ensure the safest transfer environment will require the cooperation of vessel operators, offshore facility operators and third-party contractors. What is the formula for success? How do the association and its members work in coordination with the wide spectrum of offshore interests to distribute a consensus document representing the best practices world-wide regarding personnel basket transfer, and encourage adoption by all parties throughout the Gulf of Mexico? Member comments and participation in the process will be sought out.



New Passport Rules May Create Confusion Offshore

The Department of Homeland Security (DHS) has released new rules requiring passports for air travel within the western hemisphere. In the past, passports were not required for travel to neighboring countries such as Canada and Mexico. For security reasons, DHS will start requiring passports or other accepted identification for travel by air to foreign locations in the Western Hemisphere starting on January 27, 2007. DHS plans a separate rulemaking for travel by sea and land, but those requirements could kick in by the beginning of 2008.

The new rules threaten to create enormous confusion in the U.S. offshore oil and gas industry, especially for transportation by helicopter. Because of a quirk in the laws governing offshore waters, some offshore locations in U.S. waters are considered “points” in the U.S. and others are considered to be “foreign locations” or “hovering vessels.” Generally, if a facility is attached to the seabed and engaged in exploration, production and development, it is considered to be a point. Examples would be a production platform or MODU that is actively drilling. However, facilities or vessels that are not attached to the seabed or are not engaged in offshore activities are not considered points. Examples would be a construction barge that is using DP, a dive support or seismic vessel or a MODU that is being towed or is off location at anchor.

Under the new rules, it would appear workers traveling to “non-points” by helicopter would have to have passports or other accepted ID starting in January. However, the new rules, which can be accessed by going to the Homeland Security Website (www.dhs.gov), do little to clear up any confusion. In the case of MODUs, it requires passports for any individual who flies out to a foreign flag MODU or other MODU that has arrived in the U.S. without being inspected or clearing Customs. The rule is unclear whether this includes MODUs that are drilling. Chances are this may require a determination from the local Customs office.

OMSA and other offshore groups had commented on the rules when they were still in draft form. OMSA raised the concern that the proposal would create confusion in the Gulf of Mexico and other offshore U.S. waters without increasing security protection. OMSA will continue to monitor the rulemaking process and will become actively involved in the rules for sea travel.

The new passport rules do offer a solution for mariners. The Merchant Mariner Document or “Z Card” will be accepted as proof of citizenship in lieu of a passport. Oddly enough, Homeland Security will not accept the Transportation Worker Identification Credential (TWIC) when it is released because the TWIC card will not list the individual’s nationality. In its comments, OMSA called on the Department of Homeland Security to work out those differences internally, but that was not done.

Customs Proposes Changes to Passenger Reporting

In addition to new passport requirements, Homeland Security also wants to change the rules on passenger information that vessels report when coming from U.S. ports. The new proposal was published in the Federal Register on August 2nd and the comment period closed on October 12th. Under the current rules, vessels leaving U.S. ports bound for foreign locations must report any



passengers onboard prior to departure. However, the proposed rules would require that the vessel report passenger information at least 60 minutes before departure.

This threatens to create unnecessary delay and confusion for vessel operators in the Gulf of Mexico and other U.S. offshore energy areas for the same reasons explained in the preceding story on passports. OMSA submitted comments to the docket outlining these concerns, saying that vessels have great difficulty determining when their destination is a "point" in the U.S. and when it is not. The proposed change would only result in those vessels remaining tied to the dock for an additional hour without serving any security purpose. Now that the comment period has close, DHS will consider the different comments before issuing the final changes to the policy. Once the new rules are out, OMSA will inform its members.

TWIC Card Rules Expected Out By End of Year

Rules governing new Transportation Worker Identification Credentials (TWIC) are in their final review by the White House and are expected to be released by the end of the year. The TWIC cards are controversial and have resulted in a substantial negative outcry from the maritime industry.

Thanks in part to industry concerns, the final rule is expected to be very different than the proposed rules that were released in late May. While crewmembers who hold Coast Guard documents are expected to be required to apply for the TWIC card, the final rule should include a provision that allows mariners to receive a temporary TWIC when they apply that should allow them to work until their background check is completed and the card has been sent to them. The rules should also include provisions aimed at holding down the cost of the cards for mariners who have already undergone a Coast Guard background check.

The original proposal also included requirements for fingerprint readers to be located on both vessels and facilities. Following a huge industry outcry, the Department of Homeland Security withdrew that proposal from the TWIC rules. It will come back with a separate rulemaking process dealing specifically with the card readers at some point in the future. The agency has promised there will be adequate public hearings when that proposal is released. As a result of the opposition by OMSA and other maritime groups, Congress ordered the Coast Guard to exempt some smaller vessels from the card reader requirement. There are also indications that Homeland Security is moving away from the fingerprint reader technology and is researching other types of reading machines, including "touchless" readers.

OMSA will fully brief members when the new TWIC rules are released.

New faces/New Approaches in Congress

Congress returns to Washington for a short "Lame Duck" session on December 5th, but the real change comes next year when Democrats take over both the House and Senate. Political insiders expect the new Congress to be very active in holding oversight hearings, but given the small majority that Democrats hold, very little is expected in the way of legislation.



On the maritime front, there may be some progress on bills. The two committees that have jurisdiction over many maritime issues, the House Transportation Committee and the Senate Commerce Committee, have a better track record for cooperation between the two parties than other committees. It is likely that there will be a Coast Guard Authorization Bill during the two year congressional session.

The change in parties will make a pronounced difference for the Louisiana delegation. For Senator Mary Landrieu, the change will mean an increased importance in Washington. In addition to sitting on both the Appropriations, Small Business, Energy and Armed Services Committees, Senator Landrieu has been named to the Homeland Security Committee. As a moderate in the closely divided Senate, Landrieu may also benefit from her ability to provide critical swing votes on important legislation, a position that Former Senator Breaux was able to use effectively when he served.

The change also provides a boost to Congressman Charlie Melancon, who has been mentioned in the press as a "Blue Dog Democrat," a more conservative Democrat who may be an important swing vote on House bills. Representative Melancon has indicated to reporters that he would like to be named to a spot on the House Energy and Commerce Committee. Committee assignments have not been made in the house yet.

Unfortunately, the other side of the coin will be a reduced clout for the state's Republicans. The most important loss for Louisiana is that Congressman Jim McCrery, R-Shreveport, who was in line to become the next Chairman of the House Ways and Means Committee, will now have to settle for a ranking minority position. Other changes may be in store. With the shift in parties in the House, some republicans may lose their seats on committees. The committee assignments won't be settled until early next year.

MMS Takes Comments on New Five Year Plan

The Minerals Management Service (MMS) is proposing a modest, but symbolically important increase in the offshore lease sites open to exploration and production over the next five years. Under its proposed five year program for 2007-2012, MMS would open up areas in the Central and Western Gulf of Mexico, Cook Inlet, Beaufort Sea, Chukchi Sea, and North Aleutian Basin in Alaska, and a small area identified off the Virginia coast. While the Virginia area is small, it is an important step because it represents a return of drilling off the East Coast. The proposal to add Virginia came about because the state legislature there asked to Federal government to include it in future drilling.

The comment period for the agency proposal ended last week. During that time both offshore energy advocates and environment groups organized campaigns to flood the docket with comments. The comments from the energy sector generally supported opening the areas to leasing, but said the plan was too conservative and should open additional areas. A number of OMSA members were actively involved in preparing comments and in assisting their employees who chose to submit comments to the docket.



A series of public meetings were held around the coastal areas. OMSA President Ken Wells spoke at the New Orleans meeting. In his comments, he stressed the economic boost that local communities receive from vessel activities related to offshore energy exploration and production. He indicated that activities such as repair and cargo logistics were significant sources of revenue for local communities and that tax revenue associated with vessels were important to local governments.

MMS will consider the comments prior to releasing its plan. The plan in turn provides the guidance for future lease sales.

First annual OMSA Legal Forum is Successful

OMSA held a new event, the OMSA Legal Forum on November 16th in New Orleans. The forum focused on legal issues that relate directly to the offshore vessel industry, including explanations of different laws that come into play when a passenger as opposed to a crewmember is injured and some of the common pitfalls that may face a vessel operator in the event of an incident. There was also an in-depth discussion of the vessel financing options available to a Jones Act-qualified vessel owner.

The forum was very well received with more than one hundred participants. Based on the positive response, the association will plan to make the forum an annual event.

Thanks go out to the committee members who made the event so successful:

- Georges Legrand, Mouldoux, Bland, Legrand and Brackett, Committee Chairman
- Kelley Sevin, Duncan, Courington & Rydberg L.L.C.
- Nicki Candies, Otto Candies LLC
- Louis Radcliff, Jr., Barry Graham Oil Service

Thanks also go to the event sponsors:

Morning Break Sponsor - Hand Arendall, L.L.C.

Afternoon Break Sponsor - Mouldoux, Bland, Legrand & Brackett

Reception Sponsors

- Bowen, Miclette & Britt, Inc.
- Duncan, Courington & Rydberg, L.L.C.

OMSA Christmas Party Is Just Around the Corner

OMSA will hold its Christmas Dinner/Dance on Friday, December 8 at the Hilton New Orleans Riverside. The cost for this annual event is \$120 per person. If you have not made reservations, there is still time. Please call Lillie Licciardi at OMSA (504) 734-7622 or email her at lillie@offshoremarine.org.



The Hilton is holding a limited number of rooms at the rate of \$139 to reserve a room, please call the Hilton reservation line at (504) 584-3999, please ask for the Offshore Marine Service Association rate. If there are any problems getting this rate call the OMSA offices and ask for Lillie.

Mark Your Calendars:

OMSA's next membership meeting will be held in New Orleans on Thursday, January 25th. The meeting will take place at the Hilton New Orleans Riverside. Details, registration and agendas will be mailed to members in mid-December.

OMSA Meetings & Events for 2007

General Business Meetings

January 25, 2007 (Thursday) – Hilton New Orleans Riverside

April 24, 2007 (Tuesday) – Hilton New Orleans Riverside

July 19, 2007 (Thursday) – Hilton New Orleans Riverside

October, 2007 Meeting (Not Finalized)

Special Events

April 23, 2007 (Monday) – 17th Annual OMSA Golf Classic
Chateau Country Club, Kenner, LA

June 1 & 2, 2007 (Friday evening & Saturday)
Cajun Tropics Fishing Rodeo – Bridge Side Marina, Grand Isle, LA

October, 2007 Fall Golf Tournament (Not Finalized)

OMSA Seeks Part-Time Assistant

OMSA is in need of a part-time employee to assist the staff with administrative functions. The hours would be flexible but limited to less than 20 hours per week. Job duties would include a variety of secretarial and administrative duties. Qualifications include: Computer literate (MS word, Excel, Outlook); Good written and verbal communications skills; Multi-tasked; good organizational skills and prior office experience. Salary would be commensurate with experience.

If you know someone who is seeking part-time employment, please have the individual email Ragen@offshoremarine.org.



Sponsor Profile

International WorkBoat Show

November 29 – December 1, 2006

Morial Convention Center

New Orleans, LA

www.workboatshow.com

The International WorkBoat Show is Back – And You're Invited

As a valued member of the marine community we'd like to extend a free invitation to attend the show to all OMSA members. To pre-register online go to www.workboatshow.com or call the visitor hotline at 800-454-3007. Mention this code to secure your free admission to the exhibit hall: 9980.

After a year hiatus, the International WorkBoat Show will return to New Orleans, LA November 29 – December 1, 2006. We feel strongly in our support of the city during it's rebuilding efforts and hope that you will join us as we celebrate the rebuilding, rebirth and resilience of businesses and people in our industry and communities.

This year's show promises to be the largest gathering and industry celebration as thousands of commercial marine professionals reunite for the first time since the 2004 event. Reconnect with suppliers and distributors, and renew these important relationships; check in with friends, clients and competitors and share in their experiences; and get a pulse on the market on the show floor and at the industry sessions.

"It's important to continue the WorkBoat Show's long association with New Orleans for several reasons. The city and surrounding region remains a hotbed of workboat activity. It's where the offshore workboat industry got its start over 50 years ago when New Orleans-based Tidewater launched the first energy service vessel. It is also where WorkBoat Magazine was founded over 60 years ago and has been the only home of the International WorkBoat Show. We want to send a message that the region is still important to the industry and help support the region's post-Katrina rebuilding effort by bringing the industry's largest show back to New Orleans in 2006."
Dave Krapf, Editor, WorkBoat Magazine

At the International WorkBoat Show you'll find a huge selection of products and services that will put your business in a position of growth in the upcoming year. Make your plans now to attend this important event.

Remember, pre-registering saves you time and money! Pre-register online at www.workboatshow.com or call the visitor hotline at 800-454-3007. Mention this code to secure your free admission to the exhibit hall: 9980.

For more information on attending the show, new products and conferences visit us on line at www.workboatshow.com.