



eni petroleum

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September 15, 2009

Department of the Interior  
Minerals Management Service (MS 4024)  
Attn: Rules Processing Team (Comments)  
381 Elden Street  
Herndon, VA 20170-4817

Re: RIN 1010-AD 15:  
Safety and Environmental Systems for OCS Oil & Gas Operations (SEMS)  
FR Vol. 74, No. 115, 6/17/2009

Ladies and Gentlemen:

Eni US Operating Co. Inc. (Eni) appreciates this opportunity to provide our comments on the subject proposed rule to amend regulations associated with OCS oil and gas and other mineral operations as published in the June 17, 2009 Federal Register.

Eni has reviewed the proposed rule, and does not share the MMS's view that imposition of a mandatory Safety and Environmental Management System (SEMS) will improve safety and environmental protection. It is our opinion that, as proposed, this regulation will impose a substantial burden on the offshore oil & gas industry without significant improvement in safety and environmental performance.

**Eni endorses the comments that have been filed on behalf of industry by the Offshore Operators Committee (OOC) and the American Petroleum Institute (API).**

Additionally, Eni offers the following:

*The prescriptive nature of the proposed regulation eliminates the flexibility needed for any management system to work effectively.*

Eni has implemented an HSE Integrated Management System (IMS), modeled after ISO 14001. Through our IMS, Eni applies management system procedures very similar to those proposed by this regulation. In practice, however, our policies and procedures allow a reasonable degree of flexibility so that we can do what makes sense from an operational perspective. We believe that the strength of our IMS is demonstrated by our achievement of ISO 14001 certification in 2007 and our continued maintenance thereof.

The proposed regulation, on the other hand, is very prescriptive, applying very specific regulatory compliance requirements. Because these requirements will now be enforceable by regulation, we must interpret each very strictly.

Note that, at 250.1903(b), MMS holds up ISO 14001 as an example of other standards or guidelines that meet or exceed API RP 75, it would seem encouraging such an approach as ours; yet a certified, active ISO 14001 program will not comply with the proposed regulation.

For example, according to 250.1905(a), we must do a separate Hazard Analysis for every platform that we operate. Under our IMS, we get to the same place by doing a comprehensive hazard analysis (actually a more rigorous "risk assessment") of all of our operations, with evaluation and ranking of risks and planned mitigations.

Specific examples of practices within our IMS that would be unacceptable under the proposed SEMS regulations:

- We presently conduct JSA's for work with at least some level of risk, but not for every work project and activity [250.1906(b)];
- We presently train personnel only in what they need to know about our MI program, not necessarily every aspect of the program [250.1907(b)];
- We presently feel free to inspect or test some equipment more frequently than really necessary to gain some extra level of comfort, but we do not expect that to lock us in to a greater frequency [250.1907(c)];
- We presently decide whether to take a piece of equipment out of service based upon our judgment of actual risk (likelihood and consequence of failure) [250.1907(e)];
- We presently allow immediate approval of work considered to be for emergency situations without prior MOC review and approval, subsequently working through MOC as a follow-up [250.1908(c)].

Eni encourages MMS to continue the practice of voluntary implementation of HSE management systems and to meet individually with operating companies in substantial need of improvement to give them special encouragement.

*The proposed manner of including MODUs within operators' SEMS is not workable.*

Eni utilizes drilling contractors for drilling, completion, workover, and some construction services. As with many other contracted services, we contract for the vessel, the equipment, and the crew. And we depend on their expertise to do the work that we specify in a safe and environmentally sound manner.

By including MODUs within our facilities [250.1905 introductory paragraph], the regulation requires us to manage MODUs as if the personnel and equipment were ours and managed directly by us, rather than by their own facility supervisors. Such an approach would create confusion and contribute to unsafe conditions that we all work to avoid.

Eni urges MMS to revise Section 250.1905 to make clear that drilling vessels or utility vessels are not required to be managed under our SEMS.

If you have any questions, please contact me at the number indicated below.

Sincerely,

*ENI US OPERATING CO. INC.*



David A. Dougall  
HSE Compliance Manager  
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