OFFSHORE HELICOPTER SAFETY INQUIRY
January 11, 2010
Tara Place, Suite 213, 31 Peet Street
St. John's, NL

January 11, 2010

PRESENT:

John F. Roil, Q.C./
Anne Fagan.....Inquiry Counsel

John Andrews/. ..... Canada-Newfoundland and Labrador Offshore
Amy Crosbie ..... Petroleum Board (C-NLOPB)

Ian Wallace/ ..... Hibernia Management and
Cecily Strickland..... Development Company (HMDC)

Denis Mahoney/D. Blair Pritchett.....Suncor (Petro-Canada)

Alexander C. MacDonald, Q.C./
Stephanie Hickman. .....Husky Oil Operations Ltd.

Lewis Manning/
Nick Schultz .....Canadian Association of Petroleum Producers (CAPP)

Rolf Pritchard/
Laura Brown Laengle .....Government of Newfoundland and Labrador

Norman J. Whalen, Q.C.....Cougar Helicopters Inc.

Jamie Martin/Allison Battcock.....Families of Deceased Passengers

Kate O'Brien. .....Davis Estate (Pilot) and
..... agent on behalf of Douglas A. Latto for Lanouette Estate (Co-pilot)

David F. Hurley, Q.C. Offshore Safety and Survival Centre, Marine Institute, MUN

V. Randell J. Earle, Q.C. .....Communications, Energy and Paperworkers Union
..... Local 2121

TABLE OF CONTENTS
January 11, 2010

Page 1

January 11, 2010

COMMISSIONER:

Q. Good morning, ladies and gentlemen, and good morning members of the panel. Now, Mr. Roil, you're ready.

ROIL, Q.C.:

Q. Mr. Commissioner, thank you very much. I have a few opening comments that I'd like to make, and in addition Mr. Earle has indicated to me, Mr. Earle represents CEP, that he has a preliminary issue that he'd like to bring up before we get into the evidence.

COMMISSIONER:

Q. Oh, yes, to deal with that now, is that the --

ROIL, Q.C.:

Q. Do you want to deal with that now or we can deal with it after my --

COMMISSIONER:

Q. We may as well deal with it now.

EARLE, Q.C.:

Q. Good morning, Mr. Commissioner.

COMMISSIONER:

Q. Good morning, Mr. Earle.

EARLE, Q.C.:

Q. You will recall that when the Canadian

Page 2

Association of Petroleum Producers, Mr. Barnes, was on the stand, we asked that a number of matters be provided on undertaking, and on December 12th of this year those items were provided. At a meeting of counsel about the same time, we were advised that counsel, at least, and I presume he was speaking for the inquiry, anticipated limitations on the capacity of the parties to ask questions on matters produced in undertakings, and it appears to me that, in fact, it's a bit more than that now because I'm looking at the latest schedule for this inquiry, and I note that the inquiry is to proceed through to the 18th of February at this Phase 1A, and nowhere is there within the schedule any indication of time allotted for the examination of parties who have given undertakings on those documents which have been provided. Now it is not only the CEP which has requested documents by undertaking, but the families of the survivors requested documentation from C-NLOPB, and that similarly has been provided. There is no indication of any time in the schedule when these will be dealt with. Now as I understand

Page 3

the manner of proceeding in this matter, documents are provided on the website of the inquiry for access by parties with standing to have passwords and this, that, and the other thing, but they do not form a part of the evidence before the inquiry unless they are entered as an exhibit.

COMMISSIONER:

Q. That is true, yes.

EARLE, Q.C.:

Q. So we are faced not only with the proposition that there does not appear to be any opportunity provided in the current schedule for the asking of questions on these documents, the express intent that this is going to be a limited area of inquiry, which I find quite surprising in the context that the inquiry itself ruled as to whether the matter was an appropriate matter for an undertaking in the first instance, and you will recall we were given an opportunity and did take an opportunity to explain to the inquiry why we thought it was important for the inquiry to have these documents. So we find ourselves in a situation at this point in time where these

Page 4

documents have been produced, the schedule as it appears does not provide any consideration of either CAPP or C-NLOPB returning to the stand, and that the documentation received is not now even a part of the evidence of the inquiry, and we are now proceeding into the evidence and presentations by the operators, and I don't think it will come as any surprise to you, Mr. Commissioner, that the matters which we sought undertakings from CAPP on are matters which we think are appropriate to ask questions of the operators on as well because CAPP is just an umbrella organization, and anyone who's followed our line of questioning knows that we feel that the process involved in the, if you will, commitment to the HUEBA is an important matter for consideration by this inquiry because it illustrates how long it has taken to put in place something which is described in one of the letters by C-NLOPB as a mature and tested technology, and we think this is an important inquiry, if you will, as to the nimbleness of this industry when it comes to making modifications related to safety as they pertain to helicopters and

Page 5

transportation in helicopters. So I raise these matters with you because quite frankly CEP 2121, which as I keep reminding you, represents an awful lot of the people who get on these helicopters feels quite stymied in its efforts to bring forward those things which are important in the minds of our members as to helicopter safety, and I would ask you to consider and advise how we are in the present context to have these documents which were undertakings become part of the evidence, and how we are to have an opportunity to ask questions, and I say that knowing that there's a backdrop to all of this, if you will, the elephant in the closet in all this, is that everybody is concerned about the fact that these inquiries somehow develop a life of their own, and it is not my desire to have this inquiry go on any longer than it should, but as a party we are here to be heard, we're not here to be a decoration, and we have matters that we feel should be looked into and it seems at this point in time that the schedule doesn't contemplate that, and the manner of proceeding doesn't

Page 6

contemplate that.

COMMISSIONER:

Q. Thank you. Just one or two comments --

ROIL, Q.C.:

Q. Before we do that, before you make comments, could I respond to my learned friend because I feel I have to.

COMMISSIONER:

Q. Yes. I don't want this mornings session, which we're prepared to move forward, to end up in a debate, but by all means, Mr. Roil.

ROIL, Q.C.:

Q. I think I need the opportunity. Mr. Earle referred to Inquiry Counsel and he referred to him, and since Ms. Fagan would not be a him, it is me that was referred to clearly, and I want to put some context around this. First of all, you will remember our comments about the collaborative approach. I'm a little bit stymied by the fact that I was not given a heads up from Mr. Earle about his concerns. I thought in our collaborative approach we would have done that. First of all, he said that I'd made comments about the limited ability to probe on this. What I did say to all of the

Page 7

parties, Mr. Earle included, is that simply because something was asked for in an undertaking did not mean that it was necessarily something that would have to be questioned about, it might be no questions would arise, in which case we would not put it into evidence. The second is that he says there's no spot, and we have always talked about on the tentative schedule that we've developed from time to time that the response opportunity would be down in the February 15th to the 18th time period, and that was where I understood, and I thought all counsel understood, that these issues would be dealt with, and if need more time, then we need more time. In addition, I sent an e-mail to all counsel recently where we talked about, or I talked about how these documents could be put in, either by consent if everybody agreed, we'd simply put them in, or if necessary, we would call back a witness. So I'm a little bit stymied by all of that, but let me say that the HUEBA example that he gives is perhaps a bit of a troubling one. Remember that in Phase 1, we are identifying issues,

Page 8

and we have always said that in Phase 2 we would look at how we would solve those issues. It would seem to me at this point in time that the timeliness or responsiveness of the industry has become an issue already, so if his objective is to simply ask more questions about the timeliness, I wonder whether that wouldn't be something that we could look at or should look at in Part 2 rather than in Part 1, or in Phase 2 rather -- sorry, the next part of Phase 1, which is called 1B. As I say, you know, Ms. Fagan and I constantly have kept in touch with parties and advised them as to how things were developing. As I say, I'm surprised at the way in which the question has come up. I understand his concern, and certainly there is no attempt to make sure that issues wouldn't get explored adequately in this phase, but the question of adequately and whether there's other issues that might come out of those undertakings, if there are, then certainly they can come in and you would be the Judge, sir, of that. So those are the only comments I wanted to make in response to what he said.

Page 9

COMMISSIONER:

Q. I'm not going to invite anybody else to comment on it now. My understanding was at the time that documents would be provided, and I take it from what Mr. Earle has said, that they have been provided. The question of how they would be dealt with after they were provided is really a matter for counsel who may wish to ask questions. So it's not an emergency thing, it's something that is to be expected. I think the proper way to address this is for counsel to meet you, Mr. Earle, and any other counsel who might be involved, or Mr. Barnes, if he's here, to talk about the extent of the questioning that's required or that you want to do, and what should be possibly admitted. Whether it will be admitted or not would have to be a matter that would come before me at the hearing, unless it could be decided before the hearing, but all these things are there for consideration. So I would suggest that counsel at the earliest opportunity, perhaps at the close of proceedings on any day, today, tomorrow, the next day, sit and talk about these things. It

Page 10

may not be a problem. If it is a problem, we'll solve it, but it's not my wish that people who want to ask questions that are legitimate and relevant shouldn't be able to ask them. So I think we need not delay the proceedings this morning further, but certainly I would suggest a meeting between counsel within the next two or three days. Okay, thank you.

ROIL, Q.C.:

Q. Thank you, Commissioner. I did have a number of opening comments to put context into the next few weeks of evidence, and so if you would give me a moment, I would like to make those comments now.

COMMISSIONER:

Q. Yes.

ROIL, Q.C.:

Q. These are as much for the public as they are for those within the room. Just to remind us all where we have come from and where we are going, you will recall that we heard first from the C-NLOPB, and their evidence was about the regime that they have created that regulates the oil operators. Their evidence

Page 11

seemed to indicate that they did not directly regulate the helicopter provider. We also heard from representatives of the Transport Canada and the TSB about what their areas of responsibility were. We heard from our consultant at Aerosafe, and, of course, we did hear from Mr. Decker, the survivor, some very useful and compelling evidence. We also heard from CAPP, the Association of Oil Operators, from Helly Hansen, and from Memorial University, who was a trainer. So we now move on to the oil industry itself, and I make these comments to make sure that everybody is aware that the issue here is not about any particular company, but about how the industry itself responds to and deals with safety and helicopter transit in the offshore. We have chosen three operators as examples, but there are obviously many more who have been in the offshore and who will be in the offshore in the future. The three operators that we have are HMDC, who operate Hibernia; Suncor, and Husky Energy, and these three operators are being brought forward as examples. When we started the inquiry there was a fourth company

Page 12

out there called Statoil. They were then called, I think, Statoil Hydro. They have now left. They were doing a drilling program. A new company has come in called Conoco-Phillips. They are now doing a drilling program. Whether and how long they will stay remains to be seen. These three companies have been here for some period of time, so we have chosen them, but the evidence is not being brought to show who is the best or who is better than the other, it is about three examples of how the industry, the individual companies, the entities, how they operate with respect to safety and helicopter transit in the offshore. Ultimately, the whole inquiry is about how the C-NLOPB regulates the affairs of these operators and how these companies interpret and apply the rules and regulations of the C-NLOPB. Now the evidence that we will have over the next few days, and, in fact, the next few weeks, will really comprise four separation presentations. First of all, we will have, as we do today, a panel of representatives of all three of those companies, and they will give some evidence

Page 13

about the things they do together, and the things that they share in, and that they work together on, and they will also give some evidence on what they did working together following the incident on March 12th, because I think that there's a lesson for us in the work that was done at that time. After that -- - that will take probably most of this week. We will then have each of these three companies talk individually about what they do because although they are working together, they are companies that are competing in the international oil industry, and so they have their own separate documentation, they each have their own separate contracts, their own separate safety plans, and they each contract separately for helicopter services, and they each are able to do audits and inspections. So we'll have some evidence from them on that. Remembering our focus, the purpose is not to criticize the past, but rather to look for opportunities for improvement into the future. There will be very few documents that will come forward in the joint panel that we're hearing from today because, of course, most of

Page 14

the documents are individual to the companies, so they will come out in the following panels of the individual oil companies as we come out later this month. A little bit more about confidential documents and what not, and exhibits, because we are now moving into an area where there will be more use of this process of redaction that we have talked about, and more use of what we call confidential exhibits. First of all, there are two types of exhibits that we have. There are the public exhibits which go under our website and are freely accessible by all. There are some documents which are being designated as confidential documents. Those documents are documents that generally a company or an entity has a proprietary interest in, and so they would not want the world to be able to look at these confidential documents. The parties in the room and their counsel will all have full access to them, but they may not be available on our website for public access. Within both of those types of documents or exhibits, there is a process that we have used called redaction, and redaction

Page 15

is simply a word to indicate that something has been eliminated, either whited out or blacked out of a document, and the process of redaction takes place for a number of different reasons, principally because something is highly sensitive. For example, the price that a company would pay for the rental of an helicopter on an hourly basis, as between the three companies, they might be very different, so they would not want to share with one another the price. The price has no relevance to us, so something like that would be redacted. Some individual people's names would be redacted because of privacy concerns, where they're not relevant to -- who the person is is not relevant to our undertakings. The third, and perhaps the larger place where you will now begin to see redactions, is where things come up that are clearly within the jurisdiction of some other agency or entity like the Transportation Safety Board or Transport Canada. In that case, we have taken the opportunity to take out of documents extracts that would clearly indicate that the issue was an issue that is

Page 16

not before us, but is one that is actually before the Transportation Safety Board. So with that little preview, I have a list of documents for exhibits for today. I said that there wouldn't be very many, and those in the room who have received the list and have seen the list will say there is a large number, however, the way that we download them onto our electronic database means that one of the documents have been broken into many small parts. So the three individual documents just by way of description are the Joint Operator Panel Presentation, which they will go through today with the PowerPoint presentation. We've had those before. Then there are a series of documents that go to making up part of what the oil industry has called the Helicopter Operations Taskforce Report. It's a document of this sort of size and it has a number of tabs. Each of the tabs in it are a separate exhibit for our purposes. It allows us to be able to designate some confidential, some as public, and finally the third document is a document which is called a Pooling Charter. The panel presentation is a public document.

Page 17

Some of what is in the Operations Taskforce final report is public, some of it is confidential, and we'll see why as we go through it, and some of it has been redacted out. The third document is the Pooling Charter, and that is a confidential exhibit. So what I would ask you to do today is to -- there have been some changes, I would caution the parties in the room, some of the exhibits that were originally set as "P" documents, or as public, are now "C" documents or confidential, and the explanation of that will come in due course. We won't get to that document in today's evidence, that will be in tomorrow. I would ask that you admit as exhibits, Exhibit P-116, and that is the Panel Presentation for today, and Exhibit P- 117 through -- and that starts at 117-100 through 206. Those are public documents. The 117- 207 and 208 are confidential documents. Sorry, 117-209 is a public document. 210, 11, 12, and 13 are confidential exhibits, and then 14, 15, 16, and 17, right through to 20, 300, and 401 and 402 are public exhibits, and finally C-118, the Pooling Charter, is a confidential

Page 18

exhibit. The Registrar has a revised list of the status of these documents available and the pages that would have to be changed. As I say, this exhibit will not, I don't think, find its way into discussion today. It will tomorrow, and the parties will have an opportunity to meet with me and discuss those changes, or to have a look at them themselves overnight.

COMMISSIONER:

Q. So at any rate, these exhibits should be marked as such.

ROIL, Q.C.:

Q. Commissioner, the three gentlemen seated before you today are as follows. Paul Sacuta seated on your left. Mr. Sacuta is the President of Hibernia Management and Development Corporation. Seated next to him is Mr. Trevor Pritchard, who is the General Manager Operations for Husky Energy, and seated on the right is Mr. Gary Vokey, Asset Manager for Terra Nova with Suncor Energy. I'd ask that the witnesses be sworn or affirmed as appropriate.

GARY VOKEY (SWORN)

Page 19

TREVOR PRITCHARD (AFFIRMED)

PAUL SACUTA (AFFIRMED)

ROIL, Q.C.:

Q. Commissioner, in preparation with the oil operators for this, the presentation has been divided into various sections and each of the three presenters will deal with individual sections. When I ask questions of them, I would offer that all three could be entitled to answer if they feel that they are in a better position or wish to answer a question, but in terms of the actual presentation, it has been divided up so that one person will speak on various of the subjects that are before us, and I understand that Mr. Sacuta is to begin.

MR. SACUTA:

A. I think Mr. Pritchard will begin.

ROIL, Q.C.:

Q. Mr. Pritchard is going to make a couple of comments ahead of time.

MR. PRITCHARD:

A. Mr. Commissioner, we're here today on behalf of the three operators currently conducting producing and drilling operations in the

Page 20

offshore Newfoundland, Grand Banks area. We were greatly saddened by the events on March 12th. We know there are family members watching here today and perhaps on television. First of all, we'd like to say that our thoughts are never far from them. The accident was devastating for all the families, and indeed life changed on that particular day. It affected many people, including the three of us here today, our offshore workforce, and indeed the entire province was affected. It seems no one was left untouched. There's nothing more important than safety of our workforce, and this includes the safe and reliable transportation of our employees to and from the offshore industry. We require the helicopter operations to run our oil and gas business. This is based on the environment in which we work in and the safety of our offshore workforce. We do recognize there are risks involved with travel to and from the offshore workforce -- workplace, rather. The industry is committed to reducing risk, and on a continuous improvement basis. We recognise there is tremendous interest from

Page 21

the public as well as many of the stakeholders in our offshore safety, and the work of this inquiry, we will have an opportunity to discuss our industry as it works, our safety culture, our safety knowledge, and give information to assist the inquiry on a continuous improvement basis, of course. This allows us to in a go forward position to improve the safety of the industry so that we can travel to and from the offshore facilities safely. We'll now give you some background and context to ourselves, as individuals, as to why we represent our companies here today. I have been in the oil production and transportation business for 36 years. I joined the Merchant Navy in 1973 as an engineering cadet with BP Shipping. I worked at sea on many types of crude oil tankers and product carriers. I worked through the ranks to Chief Engineer. When I became involved with a project with BP in 1986, this was one of the first FPSOs. Now FPSO, Mr. Commissioner, is a floating production storage and offloading system. This is one of the very first ones in 1986. It was at that time

Page 22

that I started to be introduced to actual oil production. Previously, I was always involved with the transportation and ships of the crude oil and products. I joined that project in 1986 and worked in the Belfast Shipyard Harland & Wolff, and during that time I held positions both in the project, and ultimately offshore as an offshore worker, becoming Chief Engineer on board that particular project in 1993. At that time, I was responsible for the oil production facility on the marine engineering aspect of that site. So the project sailed away in 1990, and I left that project in 1996. Throughout the course of that time, I travelled to and from the installation by helicopter. In 1996, I joined a company called Blue Water Services. They provide FPSOs to the oil industry, and at that time, I became Offshore Installation Manager, so I worked offshore, responsible for all aspects of safety and helicopter transportation on board. In 1999, I became the Project Manager for an FPSO date commissioning, bring that vessel to a safe location in preparation for its next work.

Page 23

Then in 2000, I became the General Manager for Blue Water Services in Aberdeen. At that time, I was responsible for three FPSOs working in the North Sea, and one FPSO in South Africa, all of which required transportation by helicopter. During my time in the North Sea, I was involved in a number of initiatives with UKOOA, which is the United Kingdom Offshore Operators Association, and typically that would be -- one would be safety was an initiative undertaking, and other FPSO working groups. I also had regular interfaces with the certifying authorities which we'll hear about on the regulators there. I then joined Husky Energy in June, 2005, as the Operations Manager. That was just a few months prior to sail away of the Sea Rose to the White Rose Field. In August last year, I was appointed as General Manager Operations, Husky Energy. My responsibilities now are for the production facilities, the drilling operations, the marine, and the logistics, which includes the helicopter operations. Although I have not worked on a regular rotation offshore for many years, I still do

Page 24

travel offshore approximately six times per year. I would estimate that throughout the course of my career, I've travelled more than 100 times offshore, to and from offshore on helicopters. As it happens, my son now works -- followed in my footsteps and he works offshore in the North Sea too. I've been in St. John's for more than four and a half years. I find it somewhat similar to Aberdeen in many ways, with an oil industry and a fishing industry working together. I enjoy living in St. John's for the people's attitude and work ethics. I enjoy the outdoors, walking, and golfing. Mr. Commissioner, at the time of the accident, I was the senior representative for Husky Energy, and that's why I represent my company today. I'll now pass on to Mr. Vokey, who will give us some background.

MR. VOKEY:

A. Mr. Commissioner, Mr. Roil, my name is Gary Vokey. I am the Asset Manager for the Terra Nova Project, and I've been in the oil and gas industry for some 29 years. I was born and raised in Newfoundland, with a Bachelor -- I

Page 25

attended Memorial University for my formal education, and I graduated with a Bachelor of Engineering, specializing in civil engineering. I began my career in 1981 with Petro Canada, or as we now know it as Suncor Energy in their Drilling Department. My offshore drilling career included working offshore Nova Scotia, the Grand Banks, Labrador, and the east coast of Africa. I'm pleased to say that I was working offshore in 1984 when the Terra Nova discovery was made. The early part of my career included a number of moves between Alberta and Newfoundland, with two out of my three children being born in St. John's. In 1988, I moved into the production side of our business, and spent the next eight years working at various oil and gas facilities in Alberta. In 1996, I moved back into the offshore world, this time on the production side of our business, and some of the highlights of my career since then included a one year secondment to Norsk Hydro, a company you will now recognize as Statoil in Norway, during the mechanical completion, the commissioning and the start up of an offshore

Page 26

production platform. I've also had a one year secondment to the Hibernia Management Development Company in the role of Production Supervisor on the Hibernia Platform, and, in fact, myself and Mr. Sacuta were back to back Production Supervisors on that facility some ten years ago. I was also one of the first offshore installation managers on the Terra Nova FPSO through the mechanical completion, commissioning, hook up, and first oil on the Terra Nova in early 2002. This was certainly one of the highlights of my career. Since 2002, I've been working onshore, first in the role of Operations Manager, then in the role of Operations and Engineering Manager, and my current role as Terra Nova Asset Manager, where I'm accountable for all aspects of production, drilling, reservoir, and engineering for the Terra Nova asset. As a Newfoundlander, it creates pride in me to see what our industry has created over the course of the last 30 odd years. When I graduated in 1981, this was a dream that many would not have felt would have been possible in their careers. I sit here today knowing that I and

Page 27

my co-workers, both offshore and onshore, have helped make a dream for a lot of Newfoundlanders come true. I've spent a number of years working offshore in various places, and have flown numerous times of helicopters in several jurisdictions. I have flown offshore in excess of 75 times. I also have a family member that continues to work a regular rotation off the Grand Banks. There's no question the loss of our colleagues on 491, March 12th, has changed the way people view our industry, and indeed it was a tragedy. I hope through this inquiry that we learn and we continue to assure ourselves, our co-workers, and our families, that we are committed to safety and the offshore is a safe place to work. Thank you.

COMMISSIONER:

Q. Thank you.

MR. SACUTA:

A. Mr. Commissioner, my name is Paul Sacuta. I'm currently the President of the Hibernia Management and Development Company. I have over 25 years experience in the oil and gas business. After graduating from the

Page 28

University of Alberta with a Degree in Chemical Engineering, I started my career in Western Canada where I worked as a drilling engineer and a facilities engineer at a number of locations in Alberta. After seven years in Western Canada, myself and my family moved to the Island of Sumatra in the country of Indonesia, where I spent five years working at one of the world's largest onshore LUK (phonetic) gas producing facilities. Thereafter, my family and I moved to Doha, Qatar, where I worked in various supervisory level positions at a newly constructed LUK Financial gas facility. In late 1998, my family and I moved to St. John's to begin an assignment on the Hibernia Platform. To say I was thrilled would be an understatement. My wife was born and raised in St. John's, so it was a homecoming from my family's perspective, and working on the Hibernia Platform was a great opportunity from a career perspective. I spent four and a half years working offshore as a Production Supervisor, and lastly as the Offshore Installation Manager. I worked a 21 day on and 21 day off rotation and stood

Page 29

beside a large number of personnel who continue to work offshore today. In the summer of 2003, I moved to an onshore supervisory engineering position with Hibernia. In 2005, I moved -- I was asked to take a rotational assignment working in Equatorial Guinea, West Africa, supervising the operations of three offshore producing facilities. During my time rotating back and forth to West Africa, my family stayed in St. John's, which was very important to me. In 2007, October of 2007, I returned to Hibernia in my current position. In my career I've flown on helicopters in Western Canada, offshore California, the UK sector of the North Sea, the Gulf of Mexico, West Africa, Sable in Nova Scotia, and obviously I continue to fly offshore today to the Hibernia Platform. I would estimate I've taken well over 100 helicopter flights during my career. In my current role, I usually try to travel offshore approximately 10 times per year, so I have a personal interest in helicopter safety. As the President of HMDC, I am responsible for the safety of the entire Hibernia workforce,

Page 30

so I also have a professional interest in helicopter safety. In the spirit of continuous improvement, I'm here today to support the work of the inquiry as we collaborate to ensure we have reduced the risk of helicopter transportation to as low as reasonable practicable. Regardless of where my career takes me in the future, this will always be home for my family, and I have a very high desire to see Newfoundland and Labrador continue to prosper and grow. I believe safe operations are critical to the success of our industry.

COMMISSIONER:

Q. Thank you, gentlemen.

MR. SACUTA:

A. I'm going to do the presentation outline, if I could, Mr. Roil.

ROIL, Q.C.:

Q. Yes, before that, I'm just going to say, gentlemen, from time to time I may call upon you to give us your opinion on something in relation to your experience, so I'm glad that we have that before us. Mr. Sacuta, I would say just for the public and for the media,

Page 31

there is a glossary at the very back of your presentation, which we perhaps won't go to and spend any time with, but this industry, like many in the world, are replete with acronyms, so we'll try as much as possible to avoid using them --

MR. SACUTA:

A. Absolutely, we'll try to use the full term where we can. We may jump back to the acronym at some points.

COMMISSIONER:

Q. One of the more difficult things when I started to read about all this were the acronyms everywhere.

MR. SACUTA:

A. Yes. As Mr. Roil mentioned, we've broken up the presentation into 14 sections today, and we will be splitting the responsibility to discuss those sections throughout the next two days. Section 1 will provide an introduction to the concept of join ventures, as well as introduce us, the operators of the three offshore Newfoundland producing facilities. Section 2 will provide a brief overview of the petroleum industry, discuss our unique

Page 32

environmental operating environment, and provides a description of the offshore producing facilities, a very brief description. Section 3 will describe the regulatory environment under which we operate, as well as Cougar Helicopters. Sections 4 and 5 will describe the concept of safety management systems which all of the operators utilize, as well as safety participation and communications, and how important they are to us. Section 6 discusses the importance operators place on contracted services. We all use extensive contract personnel in our facilities. Section 7 will discuss helicopter operations in the Newfoundland area. Section 8 will discuss the personal protective equipment related specifically to helicopter transportation. Section 9 will review the specific qualifications and training required to work offshore. Section 10 discusses each of the operator's emergency preparedness and how it does interface with the Department of National Defence. Section 11 discusses the Department of National Defence search and rescue capabilities and responsibilities.

Page 33

Section 12 discusses the work of a Helicopter Operations Task Force which was put in place by the area operators immediately after the events of March 12th.

Section 13 will discuss the current status of the follow-up recommendations which were identified in the Helicopter Operations Task Force Report. And lastly, we will have some closing remarks.

ROIL, Q.C.:

Q. Good, thank you. Okay. Perhaps then you can take us to slide number four.

MR. SACUTA:

A. As the introduction today, I will discuss the concept of joint ventures, as well as identify the operators of the three projects in the Newfoundland area. Based on the financial commitment required to obtain acreage, explore and develop this acreage in an offshore environment, companies frequently form joint ventures. The companies participating in a joint venture are often referred to as co-venturers or partners. The term is interchangeable. Each co-venturer's respective ownership interest in the joint

Page 34

venture is based on the percentage of the assets and liabilities each co-venturer holds in the particular project. The rights and obligations of the co-venturers are usually governed by a joint operating agreement or a JOA. Hibernia, Terra Nova and White Rose all have joint operating agreements, the terms of which are specific to each individual project.

As previously mentioned, Hibernia is operated by the Hibernia Management and Development Company or HMDC, which is a separately incorporated company, the shares of which are owned by the Hibernia co-venturers or partners.

ROIL, Q.C.:

Q. Okay. So I take it that HMDC was a company formed for the purpose of managing this project?

MR. SACUTA:

A. Absolutely.

ROIL, Q.C.:

Q. Okay.

MR. SACUTA:

A. Terra Nova is operated by one of the project co-venturers, Suncor, which at the time was

Page 35

PetroCanada and is now Suncor. The White Rose is operated also by one of the project co-venturers, Husky Energy.

ROIL, Q.C.:

Q. I take it we'll look at each project in a little more detail a little later on?

MR. SACUTA:

A. Yes, we will.

ROIL, Q.C.:

Q. Good, okay.

MR. SACUTA:

A. We now have a short overview of the offshore petroleum industry in the Newfoundland and Labrador area.

Operations on the Grand Banks are exposed to: wind speeds in excess of 100 knots, which is approximately 190 kilometres per hour; waves as high as 24 metres or approximately 75 feet; air temperatures as cold as minus 17 degrees Celsius; and sea water temperatures as low as minus 2.4 degrees Celsius. It is one of the harshest operating environments in the world.

ROIL, Q.C.:

Q. I would actually stop you there and ask each

Page 36

one of you, in your own experience, either personally or what you're aware of because of your professional responsibilities, are you aware of an environment anywhere in the world where oil is extracted or explored that has harsher environment than this particular one?

MR. SACUTA:

A. I think the combination of environmental conditions under which we operate is one of the most unique in the world. There are areas that have certain aspects, but the combination of the seas, the temperatures, and in the next slide I'll talk a little bit about ice and icebergs. It is very much a unique operating environment.

ROIL, Q.C.:

Q. Either one of you other Gentlemen?

COMMISSIONER:

Q. If I may?

ROIL, Q.C.:

Q. Yes, absolutely.

COMMISSIONER:

Q. Just a question on that. What area of the world would be closest to our offshore area, in terms of harshness?

Page 37

MR. SACUTA:
A. I think two areas come to mind and I'll ask the others, but I think Sokland Island in Russia, similar environmental conditions, cold weather and snow and ice, and then the North Sea. Although the North Sea doesn't have the same ice and iceberg issues to deal with, I think the North Sea would be the other one.
COMMISSIONER:
Q. I see, and my understanding is that conditions are somewhat different in the northern North Sea than the southern part.
MR. SACUTA:
A. Yes, absolutely.
MR. VOKEY:
A. Off the Shetland Islands would probably be the closest marine type of environment, in terms of wind and wave. As Mr. Sacuta indicated, they do not have the iceberg challenges that we have.
MR. PRITCHARD:
A. I think the other important aspect is the distance that we travel between -
COMMISSIONER:
Q. Yes.

Page 38

MR. PRITCHARD:
A. The kilometres over sea. Some areas will travel that kind of distance, would have the capability of going over land before going over sea, so a unique combination here.
ROIL, Q.C.:
Q. Thank you. Okay, Mr. Sacuta.
MR. SACUTA:
A. As I mentioned, ice is a significant hazard for the Grand Banks operators. The Jeanne D'Arc Basin is located on the southern edge of the marginal ice zone. Both sea ice and icebergs are prevalent between March and May. Ice and icebergs are considered in both the design and operating strategies of all three operators. Each operator does have an ice management protocol in place. This includes surveillance by aircraft and vessels. It includes towing of icebergs using wire ropes and nets. It also includes deflection using our vessels using water cannons or prop wash. That's really only effective on the smaller icebergs, as opposed to the big ones. As I mentioned, I think the combination of ice and weather makes our operating environment

Page 39

unique.
ROIL, Q.C.:
Q. Okay. Is there anything about the individual types of facilities, the GBS versus the FPSO, and we'll learn a bit more about them, is there anything about them that is impacted differently because of ice?
MR. SACUTA:
A. I mean, we'll talk about it a little bit on subsequent slides, but for example, the Hibernia GBS was designed to withstand sea ice and impact of icebergs, whereas the Terra Nova and Sea Rose facilities aren't designed for an impact.
ROIL, Q.C.:
Q. So they move in the event of ice?
MR. SACUTA:
A. They have different actions that they would take based on the threat of prevailing ice or icebergs.
ROIL, Q.C.:
Q. Perhaps we can get into that when we get onto those particular slides.
MR. SACUTA:
A. In the offshore Newfoundland and Labrador

Page 40

area, there are currently three world class producing facilities: Hibernia, Terra Nova and the White Rose field. The Hebron oilfield is in its early design phase, with an expected start up of between 2016 and 2017. We collectively employ over 3400 people between offshore and onshore, and currently, approximately 700 people are based on our offshore facilities on any given day. This does not include the Conoco rig which is currently drilling offshore Newfoundland which can have personnel on board as high as 180.
ROIL, Q.C.:
Q. Okay. Just getting to that again and to remind ourselves, I see by the slide that you have and by the grouping of the oilfields, the little red dots, that they're actually relatively close to one another, the three facilities that you operate. In relation to the three of you, whereabouts is the ConocoPhillips process?
MR. SACUTA:
A. Conoco is not in the same direction at all. It's on the southern --
MR. PRITCHARD:

Page 41

A. Southwest of Newfoundland.
ROIL, Q.C.:
Q. I think we have this diagram forward which shows the Laurentian Basin being marked.
MR. SACUTA:
A. Yes, that's correct.
ROIL, Q.C.:
Q. And they're in that area?
MR. SACUTA:
A. Yes, that's correct, so opposite direction to our flight path.
ROIL, Q.C.:
Q. Right, okay. You also heard me mention in opening comments about StatoilHydro when they were here earlier, or Statoil, I think they're called now.
MR. SACUTA:
A. Right.
ROIL, Q.C.:
Q. When they were -- when they had their drilling program, were they close to you or were they somewhere else again?
MR. SACUTA:
A. They were farther out. Same direction, but much farther out than where we were located.

Page 42

ROIL, Q.C.:
Q. Okay.
MR. SACUTA:
A. Hibernia was the first field to begin production in the offshore Newfoundland area. As discussed earlier, it is operated by the Hibernia Management Development Company, which is made up of six co-venturers, ExxonMobil, Chevron, Suncor, Canada Hibernia Holding Corporation, which is actually the Federal Government. The Federal Government got involved in the early '90s when Gulf Oil backed out of the project. It includes Murphy Oil and Statoil. The platform is located 315 kilometres offshore in a water depth of 80 metres and it was discovered in 1979 and achieved first oil in November of 1997. So you can see the length of time it took from the initial discovery until the first oil was approximately 18 years.
ROIL, Q.C.:
Q. That actual facility, as we show it there in that diagram, that actually sits on the bottom of the ocean floor, does it?
MR. SACUTA:

Page 43

A. That's correct. It's a gravity base structure which is set on the ocean floor.
ROIL, Q.C.:
Q. Okay, and the depth in that area is approximately 80 metres of water?
MR. SACUTA:
A. 80 metres of water.
ROIL, Q.C.:
Q. Yeah, okay.
MR. SACUTA:
A. The Hibernia platform, from the bottom of the GBS to its highest point, the platform is approximately 224 metres high. This is equivalent to a 60-storey office building, to put it in perspective. The platform weighs approximately 1.2 million tons and has three main components. The topsides, which includes two drilling rigs, utility systems which generate power and other essential services, water, oil and gas handling facilities and living accommodations for up to 280 personnel. You can see the helideck on the southwest part of the platform, just above the accommodations module.
ROIL, Q.C.:

Page 44

Q. That's the green area with the circle on it?
MR. SACUTA:
A. The green area with the circle on it. The second component is the gravity based concrete structure. It's 85 metres high. It contains two drilling shafts, one for each of the individual drilling rigs. It also contains the storage for the Hibernia platform, approximately 1.3 million barrels of storage capacity, and as I've mentioned, it's designed to withstand the impact of sea ice and icebergs.
Lastly, we have an offshore loading system which we use to transfer oil from the GBS to tankers for shipment to market or to the Newfoundland Transshipment Terminal.
ROIL, Q.C.:
Q. Okay.
MR. SACUTA:
A. I'll be talking further about some of the safety related features of the Hibernia platform during the individual panel presentations next week. I'd like now to hand over to Mr. Vokey, if I could.
ROIL, Q.C.:

Page 45

Q. Before you do, you've indicated that there are drilling rigs, two drilling rigs -

MR. SACUTA:

A. Yes.

ROIL, Q.C.:

Q. - that are a part of this particular facility.

MR. SACUTA:

A. That's correct.

ROIL, Q.C.:

Q. So drilling and production of oil both take place from the same one facility?

MR. SACUTA:

A. That's correct. The design included two drilling rigs. We currently operate one drilling rig, but we jump back and forth between the rigs as slots become available. One of the rigs, the west rig, actually all the slots, 32 drilling slots have been fully drilled and in order for us to drill again from that side of the rig, we actually have to deplete a well and then we're able to reclaim the well to then drill again from that rig. So right now, we jump back and forth with a single drilling through -- between the two drilling rigs.

Page 46

ROIL, Q.C.:

Q. Okay. With those two activities, does that mean that you would generally have more persons on board at any one time?

MR. SACUTA:

A. Yes, our POB right now would average anywhere between 220 and 250, depending on the activity that's underway at the time.

ROIL, Q.C.:

Q. Okay. I think we're next going to go to Mr. Vokey with respect to the Terra Nova facility.

MR. VOKEY:

A. I'll talk, Mr. Commissioner, a little bit about Terra Nova. Terra Nova was the second producing field in the Jeanne D'Arc Basin. It was discovered in 1984 and work to bring this into develop was formally sanctioned in 1997 and first oil was in 2002. PetroCanada, now Suncor Energy, is the largest interest holder in the field and is the operator. Partners in the develop includes, you can see them there, ExxonMobil, Statoil, Husky Energy, Murphy, Mosbacher and Chevron Texaco.

The field is developed using a floating storage and offloading vessel, which we call

Page 47

an FPSO. The FPSO is located in the centre of our production field and is connected to the subsea wellheads that are drilled, in the case of Terra Nova, by a separate drilling unit. The majority of the Terra Nova wells were actually drilled by the MODU Henry Goodrich from 2000 to 2007.

ROIL, Q.C.:

Q. Okay. Now you've just used a MODU. What's a MODU?

MR. VOKEY:

A. Sorry. It's a mobile offshore drilling unit, in this case, a semisubmersible, the Henry Goodrich. So our wells are drilled by a separate facility and then the wells are actually tied back into the FPSO for production.

The field, similar to Hibernia, is in relatively shallow water. In the case of Terra Nova, it's 90 to 100 metres, and our subsea wellheads, because of the shallow water depth, and it doesn't have the protection of an ice wall, similar to Hibernia, they're in - - those wellheads are in large excavations and it's approximately 15 feet below the surface

Page 48

of the water and that's to protect the wellheads in the event of icebergs, if they come in and ground in that water depth, if they do become mobile again, they won't drop down and hit the wellhead. So it's a mechanism for producing and protecting the subsea wellheads.

Product on the FPSO is obtained from the reservoir and is generally a mixture of oil, gas and water and it comes onto the FPSO through a series of flow lines. Once on board, the products are separated. The oil is cleaned. The gas is dried and reinjected and any water that is produced is cleaned, all the oil is taken out and it's discharged overboard.

ROIL, Q.C.:

Q. So you say the gas is injected back into the earth?

MR. VOKEY:

A. The gas is reinjected back into dedicated wells and that is to help us keep pressure maintenance in the wells, and there's also water, seawater is injected also to keep the pressure up so the oil will freely flow.

Page 49

The produced crude is offloaded, similar to Hibernia and White Rose. It's offloaded to purpose-built tankers. In the case of Terra Nova, the oil goes directly, for the most part, to Whiffen Head and then there's second leg tankers that take it from there to various markets on the Eastern Seaboard.

Like our counterparts at Hibernia and White Rose, that diagram also shows a standby or supply vessel and it shows a helicopter there. As Mr. Pritchard indicated, helicopters are the primary means of our transportation for people offshore.

Terra Nova was the first purpose-built FPSO for the east coast basin, and it's the largest fully disconnectible FPSO in the world today. In terms of dimensions, the vessel is approximately 1,000 feet long or the equivalent size of three football fields. It's about 150 feet wide and from the bottom of the vessel to the helideck, it's approximately eight storeys. The additional facility features, the vessel is ice classed. Just -- the helideck is on the forward part of the vessel and just about a third of the way

Page 50

back -- it's not a good depiction there. We'll show it better in the Suncor -- but it's what we refer to as the turret and that part of the vessel is actually linked to the sea floor and the vessel will rotate around it, depending on wind and current. So that part of the vessel is linked right to the sea floor. Other features of the FPSO is we have our own power generation. We can store upwards just under a million barrels of oil, and in terms of the facilities, the accommodations, Terra Nova was originally designed with 80 beds. During a major maintenance outage in 2006, an additional 40 beds were added. So during normal operations, we have capacity upwards of 120 beds for use.

Approximately 75 percent of the people that work on the Terra Nova FPSO work a regular 21-day-on and 21-day-off rotation. The rest are what we refer to as ad-hoc personnel who come out for various periods of time, depending on what their work scope is.

ROIL, Q.C.:

Q. Okay. That's fine, thank you.

MR. VOKEY:

Page 51

A. If there's no questions, I'll turn it over to Mr. Pritchard.

ROIL, Q.C.:

Q. Yeah.

MR. PRITCHARD:

A. Husky has been involved on the east coast of Canada for over 25 years and the original White Rose field was discovered in 1984 and Husky and Suncor, they're the joint venture partners in the core White Rose. Now Nalcor Energy is a partner with us in the North Amethyst, which is a new area and a new tieback to the FPSO. So Nalcor Energy has a five percent stake in this new development.

We currently have four glory holes and these glory holes are the excavations that Mr. Vokey spoke to regarding protection of the subsea equipment. So we operate with four, three of which are associated with oil production, water injection and gas lift and the northern drill centre is for the gas reinjection.

Very much like the Terra Nova facility, Mr. Vokey has described how it operates and how it works. The Sea Rose facility is very,

Page 52

very similar. So I'll go through some of the subtle differences, rather than go across where its similar.

ROIL, Q.C.:

Q. Yeah, I think particularly the differences, particularly as they relate to helicopters would be important.

MR. PRITCHARD:

A. Absolutely.

ROIL, Q.C.:

Q. Thank you.

MR. PRITCHARD:

A. So one of the differences, the accommodation is at the stern of the vessel, very much like a tanker orientated vessel, and we have the helideck above the accommodation and slightly off to the port side, the left side.

ROIL, Q.C.:

Q. Okay. So as we look at that photograph there, you see the -- actually, you see a photograph I guess of a helicopter either standing or about to land.

MR. PRITCHARD:

A. It's just about to land, I believe, and you can see that there's a little bit of an

Page 53

overhang of the helideck on the installation to the port side.

ROIL, Q.C.:

Q. So it's to the rear of the ship, as opposed to on the bow, and it's slightly set off to the port side?

MR. PRITCHARD:

A. That's correct.

ROIL, Q.C.:

Q. Okay.

MR. PRITCHARD:

A. We also offload to the offload tankers from the stern of the vessel. You can see a large reel on the back end. That's how we offload our oil. We also have a disconnectible turret system, similar to the Terra Nova. So in the event of icebergs that we are unable to manage, we have the facilities to move away.

The Sea Rose is also different in respect of it is a weather vaning FPSO.

ROIL, Q.C.:

Q. What does weather vaning mean?

MR. PRITCHARD:

A. The weather vaning is such that we will move and turn wherever the wind and the current

Page 54

would take the vessel. So we end up as a big sail and we'll simply revolve around. The Terra Nova asset has thrusters that would assist them to do heading control. So if they wish to orientate themselves in a particular way, they have that facility.

We have a maximum person on board, POB, of 90 and they generally work a three-and-three rotation.

Some of our development wells were predrilled prior to the arrival of the Sea Rose on site. So very similar in the Terra Nova asset, predrills in the glory holes prior to the Sea Rose coming and getting hooked up with the flow lines to start production.

ROIL, Q.C.:

Q. Okay, and that drilling is done by other facilities, other semisubmersibles or other drill ships?

MR. PRITCHARD:

A. That's correct, and my next section actually just describes a little bit about the various styles and types of drilling activities.

So along with the production operations from the three mentioned producing assets,

Page 55

there's also a drilling program that would be executed from a variety of vessels and structures. The drilling programs are associated with exploration, initial finding of oil, delineation and appraisal of those finds and any water injection or gas injection or gas lift that we need to be associated with. So we see on the slides there, the variety. There's four different types there and we see the jack-up rig to the left, and that attaches itself to the seabed with legs and is a fixed structure there. It has limited capabilities in the Newfoundland land because of the ice and the iceberg situation, so it has a limited period, around from June to November time, that that type of facility can be used.

ROIL, Q.C.:

Q. Okay. Do jack-up or have jack-up rigs ever been used in Newfoundland?

MR. PRITCHARD:

A. Yes, indeed. We used the Rowan Gorilla 6 in 2006.

ROIL, Q.C.:

Q. And would that have a helideck or a facility

Page 56

for landing helicopters on board?

MR. PRITCHARD:

A. Absolutely. All of these drilling arrangements have helidecks associated with them. All these activities require people and therefore people require transportation, hence the slide deck here for the different types.

So the next picture there shows us a semisubmersible or a mobile offshore drilling unit, a MODU we would describe it. The next picture is shown to be a drill ship and that's currently the style of vessel that ConocoPhillips are using down in the Laurentian Basin. And of course, the Hibernia is a fixed structure. Mr. Sacuta has indicated how their drilling program works.

So all of these activities require people, generally purpose-built for drilling activities and therefore we need helicopter transportation for these facilities.

ROIL, Q.C.:

Q. And I take it that because these rigs travel all over the world that generally helicopters are the preferred means of transport to offshore facilities in other places in the

Page 57

world?
MR. PRITCHARD:
A. Yes, indeed. So in support of the production operations and drilling activities and any project-related vessels, because we do also bring in, from time to time, project-related vessels that do have helidecks as well, to get those project personnel to and fro, there's a suite of logistical support craft and offload tankers. This slide shows the resources that we have and later we'll be discussing a little bit about the sharing activities that we have.
It should be noted that it appears as if Husky Energy operates quite a number of the resources and assets and that's simply because we are currently the operators of the GSF Grand Banks and the Henry Goodrich as the two drilling operations that would be underway currently.
ROIL, Q.C.:
Q. So that is in support of three separate facilities?
MR. PRITCHARD:
A. That's in support of three separate facilities, that's correct. Each, of course,

Page 58

have a dedicated standby vessel. We've indicated that each facility should have a dedicated standby vessel, so you see the number of standby vessels there. The shuttle tankers that we see is that Husky Energy utilizes the two shuttle tankers that we have to go direct to market, and not necessarily using the NTL terminal. So our shuttle tankers would be more directed to market.
ROIL, Q.C.:
Q. So the two Knutson named vessels go to market. The other three go to the -
MR. PRITCHARD:
A. Generally speaking, that is the arrangement.
MR. SACUTA:
A. The other three do have the opportunity, depending on the time and inventories, we do occasionally send one of our tankers direct to market as well, but the majority of them do go to the Newfoundland Transshipment terminal.
MR. PRITCHARD:
A. Okay. That's the end of this particular section.
ROIL, Q.C.:
Q. And the three helicopters and how they are

Page 59

used and shared, we'll get onto in a lot more detail as we go through. Okay, Mr. Sacuta, we'll continue, I think, for the next little while. We'll have a break about quarter to 11.
MR. SACUTA:
A. Okay. Operators in the Newfoundland and Labrador area work in one of the most highly regulated regions in the world. In all the areas of the world that I've worked, I would say it's the most regulated. I can't say it's the most regulated everywhere, but certainly in any of the areas that I've ever worked, it's the most regulated. So on the next section of slides, I'll be talking a little bit about some of the regulatory requirements.
The operator of each offshore project is, as previously discussed, either one of the co-venturers, such as Suncor or Husky, or a separately incorporated company, such as HMDC. They are appointed by the co-venturers to conduct the project operations within the scope of the authority conferred by the joint operating agreement. They're provided with oversight and direction by a management

Page 60

committee, usually made up of the representatives of the individual co-venturers. They're responsible for the health and safety of personnel and also for legislative and regulatory compliance on behalf of the co-venturers.
ROIL, Q.C.:
Q. When you refer to management committee, would that be akin to a board of directors, if it was a single company operation? Is that the nature -
MR. SACUTA:
A. Akin, in Hibernia's case, responsible to Hibernia Executive Committee, which is made up of representatives from each of the co-venturers, for example.
ROIL, Q.C.:
Q. Again, I think we can hear more about the details of that in the individual presentations.
MR. SACUTA:
A. In the individual panels, that's correct.
ROIL, Q.C.:
Q. Okay, good.
MR. SACUTA:

Page 61

A. This slide outlines that the C-NLOPB has jurisdiction over petroleum operations in the Newfoundland and Labrador offshore area. The guidelines respecting drilling programs contains specific references related to helicopter operations. However, helicopter operations are under the jurisdiction of Transport Canada, which has been previously testified at this Inquiry. The interface between the two regulatory regimes occurs between the operators and Cougar Helicopters.

ROIL, Q.C.:

Q. Although the C-NLOPB actually has, as we'll see I think later, statements about what things should be on a helicopter and how a helicopter should be equipped?

MR. SACUTA:

A. That's correct.

ROIL, Q.C.:

Q. Okay. So how does that work in terms of Transport Canada?

MR. SACUTA:

A. The requirements are regulatory in nature. So it's up to the operators to meet those requirements.

Page 62

ROIL, Q.C.:

Q. Okay.

MR. SACUTA:

A. But Cougar Helicopters is basically regulated by Transport Canada and receive all their approvals through Transport Canada, not through the C-NLOPB.

ROIL, Q.C.:

Q. Okay. So they get -- I see, so go back to your slide then.

MR. SACUTA:

A. Yeah.

ROIL, Q.C.:

Q. They get their direction, in terms of operations, from Transport Canada?

MR. SACUTA:

A. Correct.

ROIL, Q.C.:

Q. You get yours from the C-NLOPB?

MR. SACUTA:

A. Correct.

ROIL, Q.C.:

Q. And then how you interact with them is how it gets -

MR. SACUTA:

Page 63

A. That's right. We have regulatory requirements that we'll expect Cougar to meet, and Cougar has regulatory requirements to Transport Canada in them providing services to the operators.

ROIL, Q.C.:

Q. Right, okay, thank you.

MR. SACUTA:

A. Under the Canada Newfoundland Atlantic Accord Implementation Act, no one can carry out work or activity related to the exploration or drilling for the production and conservation, processing or transportation of any petroleum in the offshore area unless they hold an operating license which has been issued by the C-NLOPB and they hold a work authorization issued by the C-NLOPB. The Board shall, before issuing an authorization for work or activity, consider the safety of that work or activity. It's important to note that the Board may suspend or revoke any operating license or work authorization for non-compliance of the regulations.

ROIL, Q.C.:

Q. Okay, just stop you there. You talked

Page 64

earlier, all three of you, about drilling and production. So do I take it that before you drill, you have to get a license. Before you produce, you have to get a license. You might get two at the same time, but there are licenses all over the place.

MR. SACUTA:

A. Absolutely. There's a slide further on that talks about the various operations, authorizations and various authorizations that you're expected to obtain prior to doing those activities.

ROIL, Q.C.:

Q. Good, okay.

MR. SACUTA:

A. It's also important to mention that a non-compliance is considered an offense.

ROIL, Q.C.:

Q. What happens in terms of breach of an offence or -

MR. SACUTA:

A. There is -

ROIL, Q.C.:

Q. - if there is even an offence?

MR. SACUTA:

Page 65

A. There is a possibility you could be fined, for example.

ROIL, Q.C.:

Q. Are there possible personal consequences on senior management representatives?

MR. SACUTA:

A. Absolutely.

ROIL, Q.C.:

Q. Okay.

MR. SACUTA:

A. There are numerous active regulations that the Board has jurisdiction over. They include: the certificate of fitness regulations; petroleum installation regulations; drilling regulations; the production and conservation regulations; in order to complete any diving activities in the area, you have to have -- follow the diving regulations; the Occupational Health and Safety regulations, which are in draft currently; and then the geophysical operations. Access to all of these regulations can be found on the Board's website.

ROIL, Q.C.:

Q. Okay. Just as an item that has come up

Page 66

before, and I'm sure it will come up again, does the fact that the occupational health and safety regulations, does the fact that they are only in draft have any real impact on you or your company -- I'd ask all three of you to answer -- in terms of your operations?

MR. SACUTA:

A. Absolutely not. We're still expected to meet the regulations. The fact that they're in draft does not have any impact on how we treat them or the fact that we are measured against those that are identified in the draft regulations.

ROIL, Q.C.:

Q. Mr. Pritchard?

MR. PRITCHARD:

A. It's on the certification that we get from the Board.

ROIL, Q.C.:

Q. I'm sorry?

MR. PRITCHARD:

A. They're enforceable because they're on the license that we get from the Board.

ROIL, Q.C.:

Q. Yes.

Page 67

MR. PRITCHARD:

A. So they apply them in that manner.

ROIL, Q.C.:

Q. So if you don't comply with them -

MR. PRITCHARD:

A. There's an authorization that comes along with the guidelines.

ROIL, Q.C.:

Q. Yes, okay. Mr. Vokey?

MR. VOKEY:

A. Same for Suncor.

ROIL, Q.C.:

Q. Same for Suncor.

MR. VOKEY:

A. Whether it's a draft, whether it's a regulation or a guideline, all is applicable. To us, they're the rules.

ROIL, Q.C.:

Q. Okay, and they're made the rules by virtue of being a condition of your licenses?

MR. PRITCHARD:

A. Correct.

ROIL, Q.C.:

Q. Or authorizations.

MR. SACUTA:

Page 68

A. Yeah. As a matter of fact, if you didn't comply with the guidelines, you wouldn't get your authorization.

ROIL, Q.C.:

Q. And you need your authorization before you can do any work?

MR. SACUTA:

A. Before you can do any work.

ROIL, Q.C.:

Q. Right, okay.

MR. SACUTA:

A. There are also a number of other guidelines which include the safety plan guidelines, drilling program guidelines, reporting and investigation of safety related incidents, physical environmental programs, expectations guidelines and the geophysical geological environmental and geotechnical guidelines.

Mr. Commissioner, I'd like to take this opportunity to inform you that effective December 31st, 2009, the Board has introduced new goal-based, new goal-oriented offshore petroleum drilling and production regulations. The Board has also posted the following documents to eight operators in understanding

Page 69

the new regulatory requirements, which includes a draft drilling and production guideline, a draft safety plan guideline, a draft environmental protection plan guideline, and a draft data acquisition and reporting guideline. The draft guidelines will be issued for a one-year trial basis and will be revised as necessary during this period, based on the feedback and experience gained from their use. Any of us that already have current authorizations do not have to meet the new guidelines, but during the next renewal process, we will have to meet the new goal-oriented guidelines.

ROIL, Q.C.:

Q. And I think in their evidence, they indicated that there was some move in that direction. So I guess what you're telling us is it has now happened?

MR. SACUTA:

A. It has now happened. We received a letter dated December 23rd identifying that it would be in place December 31st of last year.

ROIL, Q.C.:

Q. Okay. Well, we'll certainly get copies of

Page 70

that from the C-NLOPB representatives. Thank you.

MR. SACUTA:

A. There's also other guidance that's related to helicopter operations which operators are exposed to when operating in the Newfoundland area. These include: the helicopter passenger transportation suit system guidelines; Transport Canada's guidelines respecting helicopter facilities on ships; TP, which stands for Transport Publication 4414, which the offshore helidecks are designed to, and I'll talk a little further about the regulatory requirements for inspection of helidecks; the UK Civil Aviation Authority's offshore helicopter landing areas, which provides guidance on standards which is CAP437. CAP stands for Civil Aviation Publication. There is quite an interface between the North Sea and ourselves and we do quite often reference and look at that CAP437 guideline if there's changes made.

ROIL, Q.C.:

Q. Okay, and that CAP437 has nothing to do with the organization called CAPP?

Page 71

MR. SACUTA:

A. That's correct. It's Civil Aviation Authority and it's the Civil Aviation publication.

ROIL, Q.C.:

Q. In the UK?

MR. SACUTA:

A. In the UK.

ROIL, Q.C.:

Q. Yes, okay.

MR. SACUTA:

A. And then lastly, the Atlantic Canada Offshore Petroleum Industry, the standard practice for training and qualifications of personnel, and this was produced by CAPP, the CAPP, Canadian Association of Petroleum Producers.

ROIL, Q.C.:

Q. Okay. We're going to take a break at this point, but before we do, you've used the expression guidance and guidelines and regulations.

MR. SACUTA:

A. Yes.

ROIL, Q.C.:

Q. To an oil operator, to a senior executive of an oil company, are these guidances simply

Page 72

hints and suggestions that what you should do or do they have really a higher level of direction to you?

MR. SACUTA:

A. They have a higher level of direction because quite often when we're issued an operations authorization or any authorization, there are expectations the Board places on us that we meet the guidelines and when the authorization is issued, it's very specific that you shall meet these guidelines. Although they're called a guideline, the Board enforces them through their authorization process.

ROIL, Q.C.:

Q. And then they become a requirement?

MR. SACUTA:

A. They become a requirement, as a term for you receiving whatever authorization you've requested.

ROIL, Q.C.:

Q. Okay. That might be as good a place as any for us to take our morning break, Mr. Commissioner.

COMMISSIONER:

Q. Yes, okay then. Take 15 minutes.

Page 73

(BREAK)

ROIL, Q.C.:

Q. Thank you, Commissioner. Mr. Sacuta, I think you're still responsible for the next few pages, so keep going, please.

MR. SACUTA:

A. Okay. Work authorizations issued by the C-NLOPB or the Board specify: the type of operation which is permitted; the vessels or installations authorized to conduct that work; the time period for the work to be completed; and the conditions pertaining to the authorization.

ROIL, Q.C.:

Q. Okay. So what happens if you do something different, bring a different facility in, take longer or do something differently?

MR. SACUTA:

A. Each time you do that, you would have to get an authorization from the Board. If you were to bring in a new drilling rig to do a drilling activity, you would have to get an authorization for that activity.

ROIL, Q.C.:

Q. Okay. And even though you're doing the same

Page 74

drilling but with a different ship or different drill ship -

MR. SACUTA:

A. That's correct.

ROIL, Q.C.:

Q. - you have to go back again?

MR. SACUTA:

A. Correct.

ROIL, Q.C.:

Q. Okay.

MR. SACUTA:

A. The production operations authorization or the operations authorization and other required authorizations are issued by the Board to each operator prior to commencement of the said operations and they are normally renewed every three years.

ROIL, Q.C.:

Q. Okay. Would some authorizations be for a shorter period?

MR. SACUTA:

A. You may have a short term drilling program that only requires an authorization for a shorter period than three years, for example.

ROIL, Q.C.:

Page 75

Q. Yes. So if you said you were doing -

MR. SACUTA:

A. Or a diving program.

ROIL, Q.C.:

Q. If you said you were -

MR. SACUTA:

A. Diving is another good example.

ROIL, Q.C.:

Q. Yeah, diving. If you were doing diving for three months, you would only ask for the three months, would you?

MR. SACUTA:

A. Yes, that's correct.

ROIL, Q.C.:

Q. Okay.

MR. SACUTA:

A. So this slide shows various work activities which require authorizations. I'm not going to step through them all, but you can see on the left-hand side, there's a number of activities that would require an authorization. On the right-hand side of the graph or of the slide are any of the requirements associated with actually obtaining the authorization, the types of

Page 76

things you would have to submit to get the authorization. The safety plan box has been highlighted because I'm going to discuss it a little bit further in the next set of slides, because the safety plan is one of the specific things that is related to helicopter transportation.

ROIL, Q.C.:

Q. So if you're doing a diving program, you need a safety plan?

MR. SACUTA:

A. Correct.

ROIL, Q.C.:

Q. If you're doing a construction and installation program, you need a safety plan?

MR. SACUTA:

A. That's correct.

ROIL, Q.C.:

Q. So each time you do one of these things -

MR. SACUTA:

A. Each time you do any of the activities on the left side of this slide, you require a safety plan.

ROIL, Q.C.:

Q. Okay, thank you.

Page 77

MR. SACUTA:
A. So the Board's Chief Safety Officer shall approve the safety plan and authorization is only granted to an operator if the safety plan is deemed acceptable by the Board. The operator must demonstrate to the Board that the approved management system and safety plan effectively identifies, assesses and controls risk posed to a worker or to worker health and safety, including the safe transport to and from the installation. The safety plan which is re-submitted and revalidated every three years evolves as an integral component of a continuously improving safety management system. So for the three operators on a three-yearly basis, and sometimes more frequently than that if we make changes to our safety plan, but at a minimum every three years, we have to reissue the safety plan to the Board for their approval.
ROIL, Q.C.:
Q. Mr. Sacuta, and to the others, my question. I think all three of you, I hope all three of you were here when the C-NLOPB gave its evidence, when Mr. Andrews particularly said

Page 78

"the Board is not primarily responsible for the safety of offshore workers. The operators are." Do you accept that as the responsibility?
MR. SACUTA:
A. Absolutely. We are responsible for the safety of our workforce.
ROIL, Q.C.:
Q. All three of you agree with that?
MR. VOKEY:
A. That's correct.
MR. PRITCHARD:
A. Absolutely.
MR. SACUTA:
A. As a direct quote out of the safety plan guidelines, the safety plan guidelines state "the safety plan must clearly show how safety management fits within the overall system of management. It should define the roles of and relationships between the operator's executive level management personnel and the various line and staff functions in achieving safety related goals and objectives." This is a direct quote out of the safety plan guidelines.

Page 79

ROIL, Q.C.:
Q. Okay. So when we look at the safety plans for each of you in your individual presentations later this week and month, or this month really, we should be looking to see that it complies with this?
MR. SACUTA:
A. Correct.
ROIL, Q.C.:
Q. Okay.
MR. SACUTA:
A. So the safety plan highlights the management systems and processes for safe operations in the offshore area which includes helicopter operations. The components of a safety plan include written policies, programs and procedures in the following items: safety management, a basis of safe operations and the design, your organizational structure, the authorities and the command structure, hazard and risk identification and assessment, facilities and equipment on board your installation, how you operate and maintain those facilities, the training and qualifications required, the command structure

Page 80

and any contingency planning, and it also has a requirement on physical environmental monitoring, weather monitoring, for example. There are multiple references specific to helicopter operations under the work authorizations issued by the Board. They include the following: the safety plan guidelines references contingency planning, the need for a standby helicopter, the need for flight following and vessel watch, and mutual aid agreements between operators.
ROIL, Q.C.:
Q. What are mutual aid agreements?
MR. SACUTA:
A. Mutual aid agreements would be an agreement between the three operators that we would share resources as required during an emergency situation, for example.
ROIL, Q.C.:
Q. And do you have such agreements?
MR. SACUTA:
A. We do.
ROIL, Q.C.:
Q. Okay, and have they ever been called into play?

Page 81

MR. SACUTA:
A. We have called them into play. Whenever we've had situations that require one of us to support the other, one of the operators can contact the other and request assistance, whether it's vessels or any other resources that they have available.
Next, the petroleum installation regulations has specific references to immersion suits and the helideck design requirements. Petroleum geophysical regulations also has references to the helideck design and transportation suits. The draft OSH regulations, helicopter transportation suits specifically referenced, and in the drilling regulations, the drilling program guidelines, helicopter passenger transportation suits. So you can see that there are a number of references in the various regulations and guidelines associated with helicopter transportation and the requirements for transportation suits.
ROIL, Q.C.:
Q. Okay. The fact that helicopter transportation suits, for example, or helideck design, as

Page 82

another example, fits within more than one of the regulations, does that create any duplicity or any operational challenges for you?
MR. SACUTA:
A. Not from my perspective.
MR. PRITCHARD:
A. No, we just assess each individual requirement.
ROIL, Q.C.:
Q. So where, for example, petroleum installation regulations don't make specific reference to a helicopter passenger transportation suit, would there still be -- if you were simply looking for a permit under the -- well, could you look for a permit under the petroleum installation regulations that would not involve the use of helicopters?
MR. SACUTA:
A. The Board would hold you to the standards in the other regulations. You would not be able to say "well, we're making an application under the installation regulations, so we don't need to have helicopter transportation suits."

Page 83

ROIL, Q.C.:
Q. No.
MR. SACUTA:
A. That would never be allowed by the Board.
ROIL, Q.C.:
Q. Okay, and that's what I was looking for. Are there any cracks there that need to be filled?
MR. SACUTA:
A. Absolutely not.
ROIL, Q.C.:
Q. Okay, thank you.
MR. SACUTA:
A. The Board conducts an annual audit and three quarterly inspections per year. They can also complete ad-hoc inspections, if required. An example could be after an incident offshore. The Board may determine an ad-hoc visit may be required or appropriate to evaluate the operator's response and follow up. During these visits, the Board has full access to all personnel on board the facility.
ROIL, Q.C.:
Q. Now these audits you're talking about are not focused entirely on helicopter operations, are they?

Page 84

MR. SACUTA:
A. No. They're an audit to measure you against your commitments in your safety plans, to measure you against the regulations, that you're meeting all the regulations that the Board governs. So it's an audit of your compliance with the regulations and the commitments in your safety plan. But the Board also has the opportunity, as I mentioned, to do these independent or ad-hoc if there's a situation that would warrant them coming offshore. So there's just not four visits a year when the Board -- the Board can come out as many times as they deem fit to come to our installations.
ROIL, Q.C.:
Q. And in your experience, do they come out on an ad-hoc basis?
MR. SACUTA:
A. Absolutely. The scope of the Board's audit, as I mentioned, and inspections is to monitor compliance with the regulations, any commitments or requirements at the time you receive your authorization or your approval, any conditions of that approval. They may put

Page 85

conditions for compliance. They'll certainly monitor you against your own safety plan and your environmental plan commitments, as well as monitoring that you have an incident management process.

Transport Canada surveys are normally delegated to the certifying authority.

ROIL, Q.C.:

Q. Now stop, sorry.

MR. SACUTA:

A. Yes.

ROIL, Q.C.:

Q. Transport Canada surveys of what?

MR. SACUTA:

A. Transport Canada surveys of the helideck.

ROIL, Q.C.:

Q. Ah, okay.

MR. SACUTA:

A. Are designated under the delegated statutory inspection program. They will periodically conduct monitoring surveys of the certifying authority. So they do do a cross check to make sure that the certifying authority is doing what they're supposed to do as part of that delegation.

Page 86

ROIL, Q.C.:

Q. Okay, and I think your next slide talks about who the certifying authorities are.

MR. SACUTA:

A. That's correct. So the Atlantic Accord Act requires that each production, drilling, diving and accommodations installation have a valid certificate of fitness, which has been issued by a recognized certifying authority before the Board can authorize an activity in the offshore area. Each of the three offshore installations has a certifying authority involved in their respective business. Both Hibernia and Terra Nova use Lloyd's Register out of the UK and White Rose uses DNV. Each certifying authority certifies, inspects and audits each facility. Audits inspections are scheduled quarterly and if required, special visits can occur. If there's a situation where you've had some issue that's occurred on your facility that requires the certifying authority to make a special visit to ensure that your certificate of fitness still remains valid, they will do that.

ROIL, Q.C.:

Page 87

Q. Okay. So the Hibernia gravity base structure has been certified by Lloyd's Register?

MR. SACUTA:

A. They are our certifying authority and they have granted us our certificate of fitness. That's correct.

ROIL, Q.C.:

Q. And they are a worldwide certifying authority?

MR. SACUTA:

A. They are worldwide, that certifies very many offshore petroleum installations.

ROIL, Q.C.:

Q. Okay, and by way of another example then, the White Rose facility is a DNV facility?

MR. SACUTA:

A. That's correct, another certifying authority, just -

ROIL, Q.C.:

Q. Yes.

MR. SACUTA:

A. Yeah, that's correct.

ROIL, Q.C.:

Q. Okay. If there was a drill ship that was -- are there any other certifying authorities in the world that might certify a GBS, an FPSO or

Page 88

a MODU or some sort of a drill ship? Is there any other possible -

MR. SACUTA:

A. There is ABS.

MR. VOKEY:

A. The American Bureau of Shipping.

MR. SACUTA:

A. American Bureau of Shipping.

ROIL, Q.C.:

Q. American Bureau of Shipping. So if a ship came in that was certified by the American Bureau of Shipping, that would be another delegated authority, would it?

MR. SACUTA:

A. Correct. So the role of the certifying authority is to provide certification of a unit in accordance with the Board's regulations. The certifying authority provides an independent third party evaluation of regulatory compliance and fitness for purpose. The intent of the certification is to provide assurance that the installation during the term of the certificate is fit for purpose and remains in compliance with the regulations. Before issuing a certificate of

Page 89

fitness, the certifying authority must be satisfied that the installation is designed and constructed in accordance with the regulations, is fit for the intended purpose and can be safely operated without polluting the environment and will remain fit when maintained in accordance with the approved inspection and monitoring maintenance and weight control programs.

ROIL, Q.C.:

Q. Now, as I take it, Mr. Sacuta, the certifying authority actually certifies the entire installation.

MR. SACUTA:

A. That's correct.

ROIL, Q.C.:

Q. But for our purposes, it is -- in terms of its totality of the installation, it is responsible for the helideck portion as well?

MR. SACUTA:

A. That's correct.

ROIL, Q.C.:

Q. Okay.

MR. SACUTA:

A. Based on the delegation from Transport Canada.

Page 90

ROIL, Q.C.:

Q. Other aspects of its work are important to other people, but not perhaps our focus here.

MR. SACUTA:

A. Absolutely. So I'd like to talk a little bit about the delegated statutory inspection program I mentioned earlier. Transport Canada has signed formal agreements covering the delegation of statutory inspection and certification functions under the Canada Shipping Act to specific recognized organizations or ROs. For the FPSOs, both Lloyds and DNV are identified as ROs and have been delegated by Transport Canada to perform surveys and issue certificates. Lloyd's Register of Shipping was delegated on December 4th, 2000 and DNV on April 22nd of 2002. The certifying authority is involved in ensuring that the helidecks on each installation conform to Transport Canada Transport Publication 4414. It is important to note that this delegation does not cover marine occupational safe and health, the safety manning levels, radio installation, the requirements for radio installation, the

Page 91

shipboard oil pollution emergency plan, and accident investigations, which are still maintained by Transport Canada.

ROIL, Q.C.:

Q. Okay. So Transport Canada delegates out some but continues to do personally or accept within itself responsibility for others?

MR. SACUTA:

A. Correct.

ROIL, Q.C.:

Q. Okay, we're now moving -

MR. SACUTA:

A. At this point, we're going to move on.

ROIL, Q.C.:

Q. - to safety management, and I think Mr. Pritchard is going to take over.

MR. PRITCHARD:

A. I am, indeed. Safety offshore is the responsibility of the operators. You may hear me use the phrase line management responsibility. Safety is line management responsibility. This takes the intent of the CEO and the top executives through to everyone working at tasks at the work site, and I will go through a structure in future slides to

Page 92

show how that works. It just shows that everyone has a role to play in safety.

I'll be discussing three key areas of people, processes and equipment, by which we can create barriers to prevent incidents and continuously look for improvements in all three areas. There are various means of feedback that allows us to progress improvements. That might be maintenance reviews, process document reviews, safety alerts that would improve people's understanding and potentially add that into the training. So we look for that continuous improvement via that level of feedback or perhaps the JOHS recommendations.

Industry has been developing its management hazards and risk management for many years and uses a state of the art risk management system. They're not all identical, however, the principles remain the same, and whilst we only have three producing assets working on the Grand Banks, we do have major world players involved at that management committee level that we discussed a little bit earlier. So we have many operating companies

Page 93

with many years experience being able to give feedback and input to how our operations work, bringing best practices from around the world to our operations.

Our safety focus is about people and commitment. It's about commitment to your spouse, your partner, children or grandchildren and your team members. It's all about behaviours and reactions to those responsibilities that we have. People must work as a team and remain vigilant as we progress through our day-to-day activities and just understand how things are moving and changing, and I'll move on with that a little bit later when I talk to the Swiss cheese slice model that we used previously in testimony here. So people need to know what they are accountable for. It's really about what we are doing today, here at the Inquiry, and what we plan for tomorrow that's going to make a difference to safety in the future.

Now this, I've introduced the equipment, processes and people. These are the areas that we can create barriers with. So during any large project, you know, a large or small

Page 94

type of project, they're three categories that we can manage risk with and reduce the risk.

It's the people that play a significant role in all areas of that equipment, processes and people. So from an equipment point of view, it's the people that do the design. It's the people that produce the processes and have input and feedback to that, and from the people's point of view, in this slide here, it's about leadership and accountability, attitudes and behaviours that all contributes to the reduction of the risk.

ROIL, Q.C.:

Q. Okay. So I take it that while you've got people, processes and equipment separated, they are, in fact, interconnected because people are involved with all aspects of designing equipment, designing processes?

MR. PRITCHARD:

A. Absolutely, and I'd like to kind of step through a bit of example there to give an understanding of how that integration works.

ROIL, Q.C.:

Q. Yeah, please do.

MR. PRITCHARD:

Page 95

A. So I want to discuss helideck operations and perhaps fuelling of helicopters. So at a project concept, you need to select that you're going to, you know, have a helideck, what type of operation it's going to be. Whether it be a GBS or an FPSO, we need a helideck to transport people to and from. There's many factors that would influence that decision, whether it's at the front end of an FPSO or at the stern of the FPSO, but no matter, we need a helideck. Once decided, we need to consider the operational aspects of the location, and then we work with the engineering designs, the standards, and the legislation in order to engineer the correct helideck facilities. So during that time, we need to use our engineering capabilities and we usually work with eliminating hazards, controlling hazards, mitigating hazards and have a measure of recovery should be if the mitigations fail.

So in the context of this, we need to consider the helideck and we need to refuel. So if we have a bulk fuel storage system located close to the helideck, that will

Page 96

create a potential hazard if a hard landing of a helicopter should occur. So we should eliminate that bulk fuel storage area and move it somewhere else. We would then, of course, need to assess if the movement of that storage creates another hazard somewhere else, but nonetheless, we should move it away from the helideck area.

In terms of control, we should control that heli-refuelling system by having the correct standards of pipe work and equipment and fit-for-purpose equipment to manage that fuel to the helideck. And in terms of mitigations, we should be able to mitigate by having the appropriate trained people on the maintenance issues applied to the systems to ensure fit for purpose.

So where we've got to there, and then, of course, we should have a means of recovery. Should all of those elements fail in some way, we should have a means of recovery, and so even in engineering design, we have a means of recovery by funding around the area. We have firefighting systems. We have trained, competent people working the helideck and

Page 97

therefore we have a means of recovery.

The training and competence of the people. So a special ingredient to safety management is, of course, measuring and monitoring. So the measuring and monitoring of the people is compliance to the training matrix. We also look at the maintenance issues and we look for compliance against maintenance to ensure our equipment is fit for purpose and we also have our documentation reviews to make sure our processes are controlled correctly.

So to reduce the risk to an acceptable level, we have well-designed equipment, correct procedures, operated by motivated people with the right attitude and the training competence. So we can see there the integration of how the equipment design, the processes that we use, both in terms of maintenance and operations, and the attitude of the people all need to come together there from concept selection at the very front end and operational use, as we use it on a day-to-day basis.

So each operator's management system may

Page 98

look slightly different. However, they all have goal setting, planning and performance measures, have a systematic method of ensuring work is conducted in a safe, environmentally responsible manner. The structure of the safety management system starts with a high level policy that sets out the intent of the company and the chief executive officers and top level executives and it cascades in a more comprehensive and explicit terms as it reaches the workforce where the work is carried out. So from the intent of the policy, which make a statement that, you know, work should be performed safely, the procedures are developed and for this analogy, I'd like to use the entry into a bulk fuel system, so the helideck bulk fuel system that I had previously described we should move away from the helideck area. We still have maintenance and inspection to carry out there.

So looking to the policy, the high level policy stating that we should work safely, we have procedures, and I'll talk to the permit-to-work procedure as being this particular procedure in the cascade effect.

Page 99

ROIL, Q.C.:

Q. So yeah, just slow us down a little bit here, so that we all follow with you. So this is a descending responsibility, starting at the highest of management, in terms of setting policies, and then we cascade down to procedures that must comply with the policies. Is that the way it works?

MR. PRITCHARD:

A. That's exactly the way it works. So we've got a high level statement from the CEO, and all companies would have that high level policy statement, and now we'll work to a procedure that would apply the intent of the policy statement. So to work safely is an intent from the CEO. We have, just one I'm going to choose here is the permit-to-work procedure, and I'll follow that through in an analogy shortly as well.

ROIL, Q.C.:

Q. Okay.

MR. PRITCHARD:

A. So the permit-to-work procedure is in support of the policy statement of safe work. The permit is a procedure to ensure hazards for

Page 100

the entire scope have been identified and controls are in place to manage all the associated risks. The system experts and workers involved in the task and sometimes not necessarily workers involved in the task, but some other individual can be associated with the review of the hazard identification and mitigations. This review is -- once that review is completed, it's also reviewed by the on board supervision. So one part of the scope is obviously to enter the tank and there's a generic safe work practice now, so narrowed down to a practice or a generic tank entry. So the permit would recognize that we have to enter the tank and now we work to the generic safe confined space entry. There will be more specific work instructions that describe the specific nature of inspection and requirements of this specific tank and it would identify any further requirements associated with that tank entry. So we're now at the work instruction level.

There would also be a checklist to ensure that all of the mitigations that apply to this particular tank entry are in fact completed.

Page 101

So once you identify it, we need to ensure that it's complied with and we need a checklist to do that. Then we work with any special arrangements that are identified and controlled accordingly and we might find this from the drawings that are associated with this particular vessel. So we'll get more information from the drawings and forms and the forms issue is regarding the recording of the thickness measurement, if that was what the requirement was, the scope to enter the tank and make a thickness measurement, for instance. So we're now into the forms and we've discussed there the drawings.

So we can see there the hierarchial structure from policy intent, procedures that we work with, I'll say generic practices, specific work instructions, the checklist that we would use to perform the work, and any forms that we need to make, any recordings, and of course, the drawings that are associated with the specific work, and that's what we see in the right-hand slide of this slide.

ROIL, Q.C.:

Page 102

Q. So can we conclude then, if we looked at any one of your individual safety management systems and we looked at any particular activity, we should be able to see this kind of cascading going on. Perhaps not all of it would get down to the level of drawings, but -

MR. PRITCHARD:

A. Generally drawings would be probably there, but not necessarily the forms, for instance. You know, if it's not recordings, if you don't have it purely down to that level for whatever the work scope would be, but in a general sense, you would see all of those principles applied.

So the next slide is regarding hazard identification and mitigations and hazard identification is a very important step in ensuring safety at the workplace. If you do not identify the hazards and associated risk then you are unable to mitigate against the effect of that. Effective hazard identification and mitigation requires the involvement, not only of the subject matter experts, but also a diverse group that is brought together to discuss the full scope and

Page 103

understand what the hazards and potential mitigation measures would be. There's no such thing as don't question it in this group here because any question stimulates conversation and it's conversation and discussion around what the work scope is about and the hazards involved and the mitigations that we look towards.

So this slide shows us some of the tools that we might use for hazard identification. Now this is not the full suite of tools, but just an example of the types of tools that we might use.

ROIL, Q.C.:

Q. Okay, but would each of these tools be used every time or only some in certain fact situations?

MR. PRITCHARD:

A. Only some in certain situations, and once again, if I could just potentially step you through an analogy to how we might use some of these tools and who would use the tools in certain situations.

So a typical scope of work using some of the tools, let's say we're going to change out

Page 104

the jet fuel pumps. So once again, we're at the helideck and the fuel transfer system and we want to change out this particular pump. A permit to work would be raised and that would identify the full scope of the work.

ROIL, Q.C.:

Q. Who raises the permit to work? Is that somebody in management?

MR. PRITCHARD:

A. It would come up on a maintenance card. Then the, I'll call the area authority might raise that scope or it might be the lead mechanic. Many people can raise permit to works associated with the planned work of the day or in fact, we would plan that work beforehand, so the permit to work would actually start potentially a few days before the scope would actually be executed.

ROIL, Q.C.:

Q. Yeah. So the answer would be that the appropriate person might be at different levels of the organization, depending on what it was you were going to do?

MR. PRITCHARD:

A. Correct.

Page 105

ROIL, Q.C.:
Q. Okay.
MR. PRITCHARD:
A. So the scope of the work would identify the pump itself. So we have tag numbers so we can physically identify the pump itself and the location that it's at, and the safe job analysis would then step through the scope, identifying the hazards. So we've got the top one there, the safe job analysis, and we would look there towards the hazards of, say, electricity, jet fuel, the weight of the pump, perhaps an exposed location or working at height. All of those hazards are reviewed and identified and then we mitigate against those hazards. I should rather say here that it's the -- we mitigate against the hazardous event. Height might be recognized as a hazard, but it's actually fall from height which is the event that you should need to associate with.
ROIL, Q.C.:
Q. Okay. And who does the safe job analysis? Again, what persons or levels of persons are involved in that process?

Page 106

MR. PRITCHARD:
A. It pretty much depends on the complexity of the work scope itself. So if we have a very complex operation, we may actually perform a process hazardous analysis or analysis onshore and we may feed that to the offshore group to get their input and there would be a combined effect there for a large scope job to ensure that the full scope is identified, all the hazards are identified and the correct mitigations are in place to allow us to go forward with that scope. But in general, day-to-day activities, the offshore workforce deal with the safe job analysis at site. Certainly the onshore group cannot stand alone produce a risk assessment that would be applied offshore. There's local conditions and local knowledge that needs to be applied on each occasion. So bigger scope supported by onshore. The day-to-day activities are more associated with the offshore workforce.
So the permit would be issued. Having identified all the hazards and put in place all the mitigations, we issue the permit, and before the job starts, we would have a toolbox

Page 107

talk and that toolbox talk is associated with the group of workers that are about to perform the task and we review all of the hazards that have been identified and what the mitigation factors are during the toolbox talk. So we usually have a leader of the work team that would perform that duty.
ROIL, Q.C.:
Q. Again, would that be at the rank and file offshore worker or is it up at management? What's the level of engagement here?
MR. PRITCHARD:
A. Normally the team leaders can be the discipline leads or it can indeed just be one of the workforce themselves. Usually somebody who's, you know, very familiar with the systems, comfortable with the scope and the supervision on board and comfortable that he will be the lead for that scope.
So during the year, the course of the work scope and perhaps an audit of the permit-to-work system would be applied. Now not all tasks will have an audit performed on them, so we monitor our permit-to-work system by doing audits, but not every -- every task is not

Page 108

audited. This will determine compliance to the permit-to-work procedures, the practices and work instructions. So the permit will look at those activities and ensure that they are in compliance. Also through the course of this work, perhaps a behavioural observation may be made by anyone. In our individual operator's panel, we will go into each individual operator's ways and means of doing behavioural observations, but this is just an opportunity for someone to reflect on how the operation is going, perhaps look for areas of improvement or indeed just say, you know, this job is going extremely well and give the work team a pat on the back for a job well done. So that's the type of feedback that the workforce get from the behavioural observation program.
So the next slide continues with risk management. Effective risk management requires that persistent application and continuous improvement of the safety management processes to reduce risk to as low as may be practical. The philosophy of how projects develop has already been discussed in

Page 109

terms of eliminating any hazards, controlling the hazards, mitigate against hazards and provide a means of recovery if situations develop. To do this, hazards need to be identified for all situations and evaluated with consideration as to the likelihood of such hazards becoming a reality and the associated consequence, what can be done to reduce the risk by either reducing the likelihood or the consequence. So this can be in the form of the equipment design, the procedures or the people. So we see once again those three categories that I described earlier.

We also need to determine how practical the new measures may be and if they are reasonable, efficient, then we need to track the implementation of that plan to a conclusion. So we need to establish the hazards, the mitigations, and then plan to ensure they are installed.

So the next slide is a typical risk matrix and it's used for the process of determining risk. We do it initially without any mitigations and then we look to what the

Page 110

mitigation effect would be. So when we identify a hazard, we say what would the effect of that and the likelihood and then when we apply our mitigations, we also look towards the matrix to see what improvements we have made by virtue of the risk matrix. So the likelihood and consequence axis.

ROIL, Q.C.:

Q. I think we saw a similar risk matrix in the Aerosafe presentation.

MR. PRITCHARD:

A. I'm pretty sure, yes, that's correct. It's very widely used in the -- certainly our industry and I believe the aviation industry.

ROIL, Q.C.:

Q. This isn't a new invention of the offshore of Newfoundland or the offshore industry anywhere in the world?

MR. PRITCHARD:

A. No, not at all.

ROIL, Q.C.:

Q. And I gather the objective is to plot your risks and then take steps to bring those risks out of the red and into the green as much as possible?

Page 111

MR. PRITCHARD:

A. Absolutely. That's the intent of it. So we can apply some mitigations in some places and then recognize that the job still needs to have further mitigations or to do the job a different way, if we consider that the risk which is the consequence and likelihood elements are not suitable.

ROIL, Q.C.:

Q. What do you do when you have an activity that presents a likelihood of being frequent and a consequence of being high? In other words, it's going to happen and the consequences are going to be dramatic and you can't move it, what do you do?

MR. PRITCHARD:

A. We have to do something different and we either engineer something different or take a totally different approach, if we can't achieve, through various means of mitigations to bring that back into the green or yellow sectors.

ROIL, Q.C.:

Q. Have you ever -- I don't know if you've ever run into a situation where you plan to do a

Page 112

certain activity and then just found we can't do it because it's too risky and we're going to have to do something different entirely?

MR. PRITCHARD:

A. Yes, we have, and I can't give you that great example, but I do know from time to time when we would do the risk assessments, we say no, we've got to stop here, pull back, reassess and potentially do something different.

ROIL, Q.C.:

Q. Okay. Perhaps during the lunch break, if you want to have another reflection on an example of that, where that's happened to either one of you, that would be fine.

MR. PRITCHARD:

A. I will do.

ROIL, Q.C.:

Q. Yeah, okay.

MR. PRITCHARD:

A. So once this is a five, five, five risk matrix square -- it could be a seven by seven, people can expand this type of risk matrix tool to their own use, but what it does do is it allows for a consistent approach that is documented that would allow people to

Page 113

understand why the risk has been reduced, how it's been reduced and why the job would be allowed to go ahead or not, as the case may be. The hazard is identified, the likelihood of that hazardous event occurring and the consequence of that event is what we are looking for.

So we've seen from the previous slides that it's the people, process and equipment that have the potential to create the barriers from hazardous events. So we see once again here the Swiss cheese slice model with equipment, process and people. Now we've shown two slices of cheese per kind of category there, but obviously we can have many more barriers in each of the categories and the more barriers you have, that should be applied.

ROIL, Q.C.:

Q. So the best example would see many equipment defences, many process defences, and many people defences?

MR. PRITCHARD:

A. That's exactly right, yes. We would look to have as many, but for this model, we looked at

Page 114

this. So this slide takes us back to the potential barriers we can create and what happens if the barriers are not robust and an incident occurs or we come through the holes in the cheese slices.

It should be noted that the holes in the cheese are constantly moving, both in relative terms to each other and in physical size, and I'll give you some examples as to why that happens and what we should be vigilant about.

ROIL, Q.C.:

Q. Okay. So Swiss cheese is not an ideal analogy because Swiss cheese, the holes are always the same once you have the piece of cheese. What you're saying is here everything is dynamic, is it?

MR. PRITCHARD:

A. Yes, the holes in the cheese when they're lined up, people can get a concept that you have a barrier and if you have the barrier, the incident arrow doesn't pass through. But when you put the barrier in place or the hole is lined up that something can physically move through. But in real terms, those holes are moving in dimensions both relative to each

Page 115

other and in physical size.

So as an analogy for this, I'd like to consider the performance of the installation fire foam system on the helideck. So for foam to be discharged on the helideck should we have an incident, we need fire water from the fire pumps. So the fire pumps are designed to discharge a certain volume of water and by maintenance routines, we measure and monitor on a regular basis how much the pumps discharge. So if a pump is brand new and we get a good consistence, perhaps a little bit more than manufacturer's expectations from the pumps, perhaps the hole in the cheese would be relatively small. As time goes on and the pump wears a little, then perhaps the hole in the cheese grows a little bit more, and if we get to the point of having less water from the pump than the expected requirements for the foam, making of the foam, then certainly the hole in the cheese gets a lot wider.

The fire pumps have, by design, certain features that would protect the fire system, because we need the availability of the pumps. So we need to do maintenance on the pump, so

Page 116

we have maintenance processes that would ensure availability and also, by design, we have multiple number of fire pumps to give us that availability and redundancy built in.

The quality of the foam dispensed is also checked on a regular basis and so therefore there's a tolerance to the quality of the foam. So once again, we can see if the foam quality is not quite there. If it's good, then the hole in the cheese would be relatively small. If it's getting to the edge of the tolerance, perhaps opening up, and if it's beyond tolerance, then the hole in the cheese opens a little bit wider.

The helideck team, so this is the people side of it now, the helideck team have trained for events through refresher courses and, you know, perhaps if we have a well-trained helideck team that have just been for refresher and have worked as a team for many years together, we could consider the hole in the cheese a little bit smaller. However, if we've got a relatively new team awaiting that refresher course, then perhaps the hole in the cheese could open up slightly more.

Page 117

So as you can see, there's a myriad of ways and means that the holes in the cheese can open and close and in relative terms together, they have some movement. So it's only when the barriers all break down that we would have an incident.

At all junctures, you would recognize that if it's perhaps people, and they are the most important aspect to this, they are looking after the equipment and doing that maintenance programs. They're the ones that are going through the process of checking the quality of the foam and indeed, they are the people on the helideck who would be trained and have to be used in the event of an incident.

ROIL, Q.C.:

Q. So I think as you said in one of your earlier slides, the people aren't segregated just to that side of the line up of cheese. People are involved with putting the equipment in place, putting the processes in place.

MR. PRITCHARD:

A. Correct.

ROIL, Q.C.:

Page 118

Q. So it's a very people oriented focus, I would think?

MR. PRITCHARD:

A. We have an influence over each and every barrier that we can create, whether it be equipment or processes. So it's really about the attitude and leadership of everyone to ensure that we have that level of compliance with those pieces of equipment and the processes. I want to move on now to a little bit about the safety participation, so I want to establish there that people are very important to all aspects of creating barriers. It's the level of communications that we have with people as well that is so important. So I'll start with the CAPP side of things here. So industry participates at all CAPP levels on the east coast, and CAPP is a national recognized organization, and for this I will be speaking more in specific terms to the east coast operations. Whilst Husky has deferred its membership, we are still at the table at the committee and task force levels. I believe Mr. Paul Barnes described the workings of the committees and task force, so I'll not

Page 119

describe that in too much detail, but there are communications from the safety and environment and various other sub-committees and task forces that report back to the Executive Committee, who are the responsible decision makers at CAPP.

ROIL, Q.C.:

Q. Have either or all of you sat personally on CAPP committees?

MR. PRITCHARD:

A. I've attended the CAPP meetings.

ROIL, Q.C.:

Q. The regular CAPP meetings, but have you sat on any of the sub-committees?

MR. PRITCHARD:

A. Not on the sub-committees, no.

ROIL, Q.C.:

Q. Okay.

MR. PRITCHARD:

A. The committees and task forces typically have input to regulations and guidelines and prepare standard practises and training qualification guidelines for considerations to be adopted on basin-wide approach. The committees and task forces can comprise of

Page 120

subject matter experts, HSC professionals, and potentially offshore workers seconded onshore, or indeed people who have worked offshore and are now in an onshore role. So the committees are kind of a diverse group of people, generally in the health and safety and environmental side. So there's a well established communication in the JOHS Committees offshore, so the Joint Occupational Health and Safety Committees which are established offshore, there's a good communication route to them.

ROIL, Q.C.:

Q. Okay, let me stop you there because I know that others in the room would want to pursue that as well, how and in what way is the Joint Occupational Health and Safety Committees, how do they get engaged in CAPP?

MR. PRITCHARD:

A. They can be given reviews of -- say, typically the Rigging and Slinging Guidelines, which was a documentation that CAPP are going to coordinate --

ROIL, Q.C.:

Q. Yes.

Page 121

MR. PRITCHARD:
A. Those guidelines in preparation would be issued offshore to get feedback from the JOHS Group and indeed the subject matter experts offshore as well, those people that would use that particular guideline. So we get feedback from that guideline through the JOHS Committee back to the level of -- CAPP Committee level.
ROIL, Q.C.:
Q. Okay.
MR. PRITCHARD:
A. So CAPP related issues such as Training and Qualification Standards or the Rigging and Slinging Guidelines are typical of communications with the JOHS Committees. There's also a communication with the Board at twice yearly meetings. There would be topics during the quarterly Board meetings that the operators have with the Board, and indeed if required, we can have ad hoc meetings with the Board regarding CAPP issues. So during recent times there's been very frequent updates on helicopter transportation with reference to such items as the HUEBA, flight suits, and general helicopter operations.

Page 122

ROIL, Q.C.:
Q. Have that actually increased since the incident of March 12th, or had it increased before then?
MR. PRITCHARD:
A. Substantially increased in terms of helicopter transportation.
ROIL, Q.C.:
Q. Since the March 12th incident?
MR. PRITCHARD:
A. Absolutely.
ROIL, Q.C.:
Q. You mentioned one of the bullets, helicopter flight suit water ingress testing. I take it this is the testing that took place after the suits were in place and in use, or was this before they were put into place?
MR. PRITCHARD:
A. No, this was after the incident, and when the helicopter flight suit water ingress became an issue, we did some extensive training or some additional training -- not training, testing in Halifax with respect to the E452 suit and a new suit that we'll hear more about in future testimony. So we have got some slides on that particular aspect.
MR. SACUTA:
A. And we did have JOHS Committee members attend that water ingress testing.
ROIL, Q.C.:
Q. Were the ones jumping in the water or were they observers?
MR. SACUTA:
A. Some of them were the ones jumping in the water, yes.
ROIL, Q.C.:
Q. They became the guinea pigs for the testing, did they?
MR. SACUTA:
A. Yes.
MR. PRITCHARD:
A. So on the occupational health and safety regulations, the C-NLOPB, or the Board, is joint provincial and federal and does not have legislation covering the following; employer and employee duties, right to refuse dangerous work, health and safety program policy, and OSH committees. The Newfoundland Offshore Health and Safety Act describes those four requirements, as does the Canadian Labour

Page 123

Page 124

Code, Part II, which is a federal jurisdiction. So we have the Newfoundland Offshore Health and Safety Act, the provincial jurisdiction, and the Canadian Labour Code, Part II, is a federal jurisdiction. Both of those actually mention those four areas I've just described, and the way that the Board picks that up is by describing that as other requirements for our work authorizations, and that's how they become applied.
ROIL, Q.C.:
Q. Is there a conflict between the Newfoundland Occupational Health and Safety Act and the Canada Labour Code, or does one apply to certain workers and the other apply to other workers or other situations?
MR. PRITCHARD:
A. I think they all apply very similar, and indeed there's a planned amendment to the Atlantic Accord which would allow the Board to actually prescribe those four areas by regulation. I'll discuss a little more about the Offshore Health and Safety Committees offshore. The Committee is comprised of both management workers and have a co-chair system,

Page 125

so that they both work the chair.
ROIL, Q.C.:
Q. Before you go into that, we heard from earlier witnesses about the fact that the committees offshore transcend the various contractors and employers that are out there, and there's one committee that represents all of the workers of the different employers?
MR. PRITCHARD:
A. That's correct.
ROIL, Q.C.:
Q. You're familiar with that?
MR. PRITCHARD:
A. This all comes together under JOHS, the Joint Occupational Health and Safety.
ROIL, Q.C.:
Q. Again does that create any problems for you as operators of the system, the fact that there are different employers that are a part of the one committee?
MR. PRITCHARD:
A. Not at all.
ROIL, Q.C.:
Q. Different employers and different employees from different employers that are all

Page 126

represented on the one?
MR. PRITCHARD:
A. Not at all. We're all have a mind for safety as our top priority, so we all come together collectively, and companies and where you work is no matter to us.
ROIL, Q.C.:
Q. Does every company get a representative? If you have five contractors on board the facility that you have, and the JOHS Committee on that facility, would all five of those contractors have a representative necessarily or does it move back and forth at different times to different people?
MR. PRITCHARD:
A. It works in general terms, that it becomes more departmental. So if you are related to the marine group, the maintenance group, or indeed if you come on as a construction group, if there is sufficient numbers within that construction group, you would create a new constituency, and, therefore, an elected member from that new constituency would be applied to the JOHS Committee. So depending on the size -- if it's one specific group

Page 127

coming offshore, it would create that one constituency if they were of sufficient size, but the drilling group --
ROIL, Q.C.:
Q. This is perhaps something we should look at in more detail in the individual presentations, but just to set up that issue so that having different employers -- because you know that onshore an employer will have its own -- each employer will have its own JOHS Committee. Out on the offshore, all the employers work together to have one joint, if you will, using the word joint in a different way --
MR. PRITCHARD:
A. Yes, yeah.
ROIL, Q.C.:
Q. One joint committee. So operationally that works for you, you're satisfied with the way it works?
MR. PRITCHARD:
A. It works for us because safety does not transcend any of the boundaries. We're all going to work together as one to the safety of everybody offshore.
ROIL, Q.C.:

Page 128

Q. And representation doesn't depend on the size of my work force, it's more done by work area, is it?
MR. PRITCHARD:
A. It's by departmental, but the size of the work force suggests that if a large group were to come on board as construction group, you know, on a new project to install something, they could in their own right create a new constituency and elect a member to sit on the JOHS Committee.
ROIL, Q.C.:
Q. And then if they withdraw their services and they're finished their job, they would just go away again?
MR. PRITCHARD:
A. Correct.
ROIL, Q.C.:
Q. Okay, thank you.
MR. PRITCHARD:
A. So the members of the committee are elected and represented for a two year term, and all departments are represented. The meetings are held once every three weeks, or once every rotation, and the Minutes of the meetings are

Page 129

issued to management and the C-NLOPB. The Occupational Health and Safety Committee members receive training in the organization and function of the company, company specific health and safety programs, and the company specific investigation techniques. So they can assist in any investigations that may be required on board.

ROIL, Q.C.:

Q. I have another question arising out of the work regime which we've heard about and the way, if at all, that impacts the operation of the Occupational Health and Safety Committees on board. We understand that workers work on a three week rotation, but that they all don't go out on the 1st of January and come back on the 21st, that there are people moving all the time. You know, groups go out on the 1st, and another group might start their 21 day rotation on the 7th, and some more might start on the 14th, and so on.

MR. PRITCHARD:

A. By virtue of the fact that there is that rotation and people change out every week, the JOHS Committee members can see each other and

Page 130

can communicate with each other such that there isn't a Group "A" and a Group "B". Group "A" mingles and converses with Group "B", so that there's not two distinct groups there, they are but one committee and they can converse.

ROIL, Q.C.:

Q. So if you have a meeting now and a meeting in three weeks time, would there be different people attending the first and the second meeting?

MR. PRITCHARD:

A. There will be different people by virtue of the rotation, but in the subsequent three weeks if there's issues arising from the first meeting, that can be discussed and worked with the new group that are going to be joining, that would actually sit to the second meeting.

ROIL, Q.C.:

Q. Okay, so the first group, the second group, the third group, are they the same people as the first group, more or less?

MR. PRITCHARD:

A. Correct.

ROIL, Q.C.:

Page 131

Q. The same bodies, the same individuals?

MR. PRITCHARD:

A. Yes.

ROIL, Q.C.:

Q. So how do they know what the second group has done?

MR. PRITCHARD:

A. There's Minutes of the meeting, and as I can, they can converse with the people from the first group, the first meeting. There will be new people arriving offshore that will actually take part in the second meeting, so there's time there for communications and they can have their own meetings, if they so wish. If there's some real burning issues, then the JOHS people can get together at any time.

ROIL, Q.C.:

Q. Okay, so the first group will have Minutes of their meeting?

MR. PRITCHARD:

A. Correct.

ROIL, Q.C.:

Q. Those Minutes, will they go back to the same group six weeks later, or will those Minutes go to the next group that were three weeks

Page 132

later?

MR. PRITCHARD:

A. They're just consecutive Minutes of the JOHS meetings.

ROIL, Q.C.:

Q. So each group knows what the other group is going?

MR. PRITCHARD:

A. Correct.

MR. SACUTA:

A. One of the agenda items in the standard meeting is to review the previous JOHS meeting, so the crew that comes on board will review all the issues that were raised by the previous meeting as part of the standard meeting agenda.

ROIL, Q.C.:

Q. Right, okay, thank you.

MR. PRITCHARD:

A. Part of the employee rights is the employees have the right to participate and become elected members if they so wish, or just simply participate in safety departmental meetings. The right to know means that they should be aware of the hazards and mitigations

Page 133

associated with the tasks on board, as well as the knowledge of the company specific safety systems and the safety culture of that organization. The right to refuse dangerous work is if the worker considers the task assigned to that person or team is considered dangerous, then there's a process that follows until the dangerous aspects of the work are either changed or is deemed safe to complete the task. The right to refuse process involves the workers and supervision, and the JOHS Committee, and then ultimately the Board if it cannot be resolved on board. So there's a process of understanding the risks of dangerous work and whether the workers are willing to go ahead and proceed, kind of an elevation of that.

ROIL, Q.C.:

Q. Have either one of you or all of you ever known a situation where a worker has refused to do work in the offshore because he or she believed that it was unsafe?

MR. SACUTA:

A. I've been involved yes, and most recently we had three late last year.

Page 134

ROIL, Q.C.:

Q. Any of those in relation to helicopter transportation?

MR. SACUTA:

A. All three.

ROIL, Q.C.:

Q. All three were helicopter transportation related, and all since March?

MR. SACUTA:

A. Yes, all three of them occurred after Robbie Decker's testimony.

MR. PRITCHARD:

A. As mentioned, communications is so important and we have people we need to be able to communicate to ensure the integrity of the systems. So along with the company orientations that reflect the company's safety culture and understanding of the safety management tools and processes to ensure the hazards are controlled and mitigated, there's also continuous orientation for helicopter transportation every time someone travels. Every time you go to the heliport, you will see an induction video and get instructions. Conversely from the offshore to onshore, you

Page 135

will also be given that level of instruction and orientation for helicopter transportation. So open communication is constantly encouraged between the workers and the management. This slide show is a number of meeting types, by no means all, whereby safety is discussed in terms of proactive mitigation type, as well as, I'll say, historical safety trends, but typically town hall meetings with senior management or indeed for Husky themselves, the OIM discusses safety statistics with the workforce. The permit to work and toolbox talk, we've discussed that a little bit in the previous testimony. The workforce and supervision and potentially the onshore group, engineering group, can get involved in that?

ROIL, Q.C.:

Q. And how often would those kinds of things happen, are they once a day, once a week, once a month, once a year, what sort of frequency can you assign to that kind of communication?

MR. PRITCHARD:

A. Certainly the permit to work is going to be on a daily basis. If we've got tasks, we will have a permit to work. Once you have a permit

Page 136

to work, you will by virtue of that have a toolbox talk because you're going to talk about the mitigations against any hazards identified. Departmental safety meetings, they can be requested at any time, but generally for Husky here, we have departmental meetings every three weeks. So that three weekly departmental meetings --

ROIL, Q.C.:

Q. These are on board departmental meetings?

MR. PRITCHARD:

A. Yes, they'll roll up -- departmental safety meeting can roll up to the JOHS Committee level. So there's a departmental individual there that's usually an elected member for the JOHS meeting, and, therefore, any issues arising from the departmental meeting that cannot be satisfied at that level -- there will be some supervision at that departmental meeting, so if they cannot be satisfied at that, they would rise to the JOHS level, and if the JOHS themselves can't come up with a conclusion to any issues, it will be raised to the onshore management to aid in resolving issues. Town hall meetings with management,

Page 137

certainly for the Husky again, our Offshore Installation Manager has a meeting every trip, so every three weeks there's a town hall presentation.

ROIL, Q.C.:

Q. That expression "town hall presentation" is probably one that you're very familiar with, and the one that I know from other work that I've done in life, what is a town hall meeting when you don't have a town hall?

MR. PRITCHARD:

A. We get into the biggest area we can to facilitate as many people, and everyone on board is invited to come along to the town hall to listen to whatever the news is. Generally it's, you know, new topics, maybe safety statistics, and it may be any issues that are burning for the group themselves.

ROIL, Q.C.:

Q. Okay, so these are community meetings, the community being those people that are no the facilities?

MR. PRITCHARD:

A. Correct.

ROIL, Q.C.:

Page 138

Q. Okay.

MR. PRITCHARD:

A. And shift handovers, we do a 12 hour shift rotation, so they occur twice daily as the shift handover occurs. Safety is also a discussion point at the daily meetings that occur between onshore and offshore, under the departmental meetings as well.

ROIL, Q.C.:

Q. So onshore/offshore have daily meetings. Would they be done electronically or how are they --

MR. PRITCHARD:

A. Just telephone conference. We dial in, we review reports, and any issues of the day.

ROIL, Q.C.:

Q. Uh-hm.

MR. PRITCHARD:

A. I'll now hand over to Mr. Vokey to step us through the contracted services.

MR. VOKEY:

A. As an earlier part of our presentation, we described a number of services, like supply vessels and helicopters. In this section, I'll describe a few of these services and

Page 139

explain the way in which each of these contractors integrate and help us deliver our business. The section is not intended to provide a comprehensive list of contracted services. I think it's fair to say each company represented here would probably have over 100 different contracts in support of our business, but to give you an example of one that we use independently, and some more collaboratively. Contractors are a significant part of our business, and as such are part of our safety culture. Contractors are expected to have their own safety management systems, but those systems must be aligned with the safety management systems of the respective operator. While working on our offshore facilities, the contractors must adhere to all the operator policies while on board their installations.

ROIL, Q.C.:

Q. So who's responsible to ensure that their safety systems mesh with yours? Is it C-NLOPB or is it yours, or who's responsible for that governance, if you will?

MR. VOKEY:

Page 140

A. From Suncor's perspective, it would be Suncor. I know the other companies do it too. We all do independent and sometimes collaborative audits of our suppliers and contractors, and in the case of Suncor, we will probably do 12 to 15 a year and they are typically of the contractor management systems. Contract services are audited by the operators, as I've indicated, through our respective supplier audit programs.

ROIL, Q.C.:

Q. So you say there in your slide, "are subject to audit", and I think your evidence what you're telling me is that not only are they subject to it, those audits are actually done?

MR. VOKEY:

A. That's correct.

ROIL, Q.C.:

Q. So if we look, we should find some audits of the helicopter provider by somebody prior to March 12th?

MR. VOKEY:

A. Yes.

ROIL, Q.C.:

Q. Okay.

Page 141

MR. VOKEY:
A. Both of a technical and both of a management system nature. As each development is planned, the operator will determine the aspects of its business which are part of its core competency or area of expertise. The areas which are a core area of expertise to the company, the operator will typically hire those people directly to perform the work.
ROIL, Q.C.:
Q. Okay, what kind of people would be core, for example?
MR. VOKEY:
A. As an example, production operators. You're going to need production operators through the life of the field while you're producing. It's highly technical, it's a safety critical position.
ROIL, Q.C.:
Q. The Offshore Installation Manager, that kind of person?
MR. VOKEY:
A. Typically supervisory now. As I indicated earlier in testimony in the bio, there are occasions where supervision can be seconded,

Page 142

but typically they will be company people. For those areas that are not within the operator's expertise, these types of services are contracted. While each of the operators may contract for the same service from a common supplier, most are done through separate contracts directly between the service provider and the operator. When a contract for service isn't entered into, the operator is responsible for ensuring that the contractors are in compliance with all applicable legislative requirements, including those of the C-NLOPB and Transport Canada.
ROIL, Q.C.:
Q. So if they're your contractor, you have the responsibility to supervise them, direct them, and audit them, not necessarily the C-NLOPB?
MR. VOKEY:
A. Say that again, please?
ROIL, Q.C.:
Q. Yes. If it's a contractor that you've hired, then the responsibility to do the auditing of them, to check on them, to make sure that they have safety policies and safety practices, is your responsibility primarily?

Page 143

MR. VOKEY:
A. That's correct, and quite often it's done in the pre-qualification phase of the bid, and then through the invitation to tender, you dig further into it, and then for ongoing compliance, you would do that through our audits.
ROIL, Q.C.:
Q. What you're telling us is that each company has its own way of doing that, but all of you do it in that manner?
MR. PRITCHARD:
A. Notwithstanding that, Mr. Roil, as the C-NLOPB audit the operators, they can recognize the function that we go out and audit our contracting services.
MR. VOKEY:
A. That's correct.
ROIL, Q.C.:
Q. So in the audit of you, they are effectively auditing your contractors?
MR. PRITCHARD:
A. That's correct.
ROIL, Q.C.:
Q. Okay, thank you.

Page 144

MR. VOKEY:
A. On the east coast, there's a number of common services for which all the operators contract, and I'll just read off a few of them there. Shore-based services, marine offshore service and support vessels, drilling, catering, ice and weather observation and forecasting, and one that I will talk in more detail in a later session, helicopter services or helicopter operations.
ROIL, Q.C.:
Q. I think we actually -- of course, part of working this program out, this presentation, I think we actually deal with shore-based marine and helicopter, but just take for the moment the other three; drilling, catering, and more particularly interesting to us, I guess, is ice and weather observation. So drilling, do you share that, or does each company tend to have its own drilling expertise, or a drilling contractor?
MR. VOKEY:
A. In the case of drilling, there's two ways of doing it. There is the traditional way to do it. In particular, in the early development

Page 145

stages of a project where an operator, as an example, has ten of fifteen wells to drill, they will contract directly with a drilling rig service provider, and in the case of Husky, the Glomar Grand Banks would be one that they contracted for, White Rose or Sea Rose type of work support. Having said that, three operators; Statoil, Husky, and Petro Canada, now Suncor, a couple of years ago contracted as a rig-share agreement between the three operators to bring the Henry Goodrich back into the basin because none of the operators had a large enough scope of work to bring it in independently, so we brought it in on a more collaborative basis. Husky requested so many days, as did Suncor, as did Statoil.

ROIL, Q.C.:

Q. The short answer is sometimes it's individual contracting, sometimes you share and try to use resources efficiently between you?

MR. SACUTA:

A. As far as Hibernia is concerned, HMDC actually owns both of the drilling rigs on the Hibernia Platform, and they contract the operations and

Page 146

maintenance of those drilling rigs to Noble Drilling Canada.

ROIL, Q.C.:

Q. Okay. Again we don't want to spend too much time on it, but catering is done --

MR. VOKEY:

A. Catering is typically done individually.

ROIL, Q.C.:

Q. Individually, okay. Ice and weather observation and forecasting?

MR. VOKEY:

A. To the best of my knowledge, we all utilize the same service provider for that.

ROIL, Q.C.:

Q. But you each have your own contracts?

MR. VOKEY:

A. We each -- it's like with Cougar Helicopters, we use the same service provider, but we each have our own individual contracts.

ROIL, Q.C.:

Q. Does ice and weather observation and forecasting, does that service have any particular impact on the provision of helicopter services?

MR. VOKEY:

Page 147

A. Yes, it does, particularly the weather forecasting piece in terms of, you know, what the weather is going to look like between, say, St. John's and the offshore, but we also provide weather information, real time weather information, through each installation to the pilots while they're in route, whether it's wind speed, fog, or otherwise, sea states, vessel movement.

ROIL, Q.C.:

Q. So these ice and weather observers, and I think Mr. Decker indicated that he was one of those persons, they provide information that is relied upon by Cougar Helicopters in terms of the provision of their service to the offshore facilities?

MR. VOKEY:

A. That's correct, and just a point of note, we don't always have weather observers on board the installations. Typically that would be contracted for the winter months in conjunction with the ice, but we do have individuals on each of the installations that are qualified in meteorology, such that they can report weather conditions.

Page 148

ROIL, Q.C.:

Q. So they report to the base that is your weather contracted provider?

MR. VOKEY:

A. That's correct.

ROIL, Q.C.:

Q. And they use that information in creating their weather forecasts and their predictions?

MR. VOKEY:

A. It's a data point for their weather forecast.

ROIL, Q.C.:

Q. Yeah.

MR. VOKEY:

A. The service providers we're talking about, they have, you know, Transport Canada certified meteorologists.

ROIL, Q.C.:

Q. Each of them has their own meteorologist and they get data from various sources?

MR. VOKEY:

A. That's correct.

ROIL, Q.C.:

Q. Including whatever facilities or whatever resources you have on board the three or whatever facilities are out there?

Page 149

MR. VOKEY:
A. That's correct.
ROIL, Q.C.:
Q. Okay, thank you.
MR. VOKEY:
A. I just want to talk a little bit about shore-based services and some of the support operations would be shore-based facilities, cargo vessel coordination, provision of local road transport, things of that nature, and A. Harvey and Company is under a contract to provide that. Marine support services is a significant portion of our business.
ROIL, Q.C.:
Q. Okay, that's those supply boats that we see down at the A. Harvey facility in St. John's Harbour?
MR. VOKEY:
A. Yes, some of them, I guess -- each of the companies here, we contract individually for our supply vessels, but in the case of Suncor, we use ATL primarily and Secunda; Hibernia uses Maersk, and Husky would use for the most part, ATL and Maersk. So a significant portion of our business relates to, as I

Page 150

indicated, our marine operations. Whether it's a standby requirement associated with the offshore facilities, or the need for vessels to support anchor handling or towing, or the requirement for ice monitoring, and that is, as I indicated, that would be certain times of the year. Each of the operators contract for the provision of marine support services. We talked earlier about mutual aid agreements, and as Mr. Pritchard indicated, right now Husky, because of the type of operation they're into with two drill rigs, they do have the bulk of the vessels, but I think it is fair to say that the three operators on an ongoing basis, while we've contracted for "x" particular vessels, we do share vessels for a number of things. We'll use it for personal transport in the event that we can't fly. If we've got some extra beds on board, we'll give it up to Hibernia or White Rose, and likewise if there's equipment to be gotten offshore and we don't have a vessel onshore, whereas Hibernia do, we'll use space on their vessel to get our equipment offshore, so -- and that's primarily on an ad hoc basis, but it

Page 151

does work very well.
ROIL, Q.C.:
Q. So when we hear in the -- or see in the C-NLOPB guidance that a standby vessel must standby when a helicopter is landing or taking off from an installation, these are the vessels that provide that service?
MR. VOKEY:
A. I guess there's -- vessels are used for two things in our core business. They're used for support supply. We call those supply vessels or support vessels, but there's always a dedicated standby vessel at each of the operated assets. So Hibernia always has a standby vessel in attendance, as does the Sea Rose, and as does the Terra Nova FPSO.
ROIL, Q.C.:
Q. So while we see them going back and forth, we know that there's always one that is stationed out at each platform?
MR. VOKEY:
A. Yes, if you see them, they're not on standby duty. Let's talk a little bit more about standby vessel. We use boats for a variety of purposes in the offshore environment, as I

Page 152

indicated, including the transport of cargo and people, and from March, I guess, until June, ice management. The guidelines respecting drilling programs require operators to provide the C-NLOPB with a letter of compliance from Transport Canada's Marine Safety Group indicating that the vessels that are in use by the operators meet the standard for standby vessels, and that's TP-7920, and for a standby complaint vessel, they'd have the following requirements. They need emergency response capabilities, including fast rescue craft, and these are essentially crafts that are launched and recovered from the standby vessels. Personnel recovery equipment to assist standby vessels in retrieving individuals from the water.
ROIL, Q.C.:
Q. The word "recovery" means to get them out of the water, is it?
MR. VOKEY:
A. To get them out of the water in the event that they're in the water. They're also required to have firefighting and medical first aid support capability on board, and they need

Page 153

passenger carrying capabilities. However, as I indicated previously, not all the vessels are the same and passenger carrying capability may range probably anywhere from 12 to 30, 12 to 32, in that range. These vessels are also designed to operate in our offshore environment similar to our installations, and because they do operate on a year around basis, they do have ice strengths in hulls, and the vessels are also equipped with what we refer to as DP, or dynamic positioning, so that allows it to come in alongside installations and to hold a position without being affected by wind, wave, or current.

ROIL, Q.C.:

Q. Okay, I think that's probably as good a place as any for us to take our lunch break. It's now 12:30.

COMMISSIONER:

Q. Two o'clock then.

(RECESS)

COMMISSIONER:

Q. Okay, Mr. Roil.

ROIL, Q.C.:

Q. Thank you, Commissioner. Before we go ahead,

Page 154

I think that two of our panellists want to go back to items that we dealt with already. One was Mr. Pritchard, who I understand wanted to speak to the Risk Matrix example that was here at slide number 42. So we have that up, and soon as I get it there and running, we'll be ready to go.

MR. PRITCHARD:

A. I've been reminded of a scope of work that we were trying to perform on the FPSO Sea Rose, and this was the removal of a very large spool from the turret area. The turret area is quite a congested area and the analysis for that job and the work part, the preparation for that, was completed onshore. So we have a work part that understands the equipment. We do that from the two day drawings that we have and try to work out the work plan that would be associated with the removal of that spool. That work part was then issued to offshore and prior to any even permit to work being raised, the crane driver who would be the operator of the crane, and the area authority, went out to review the job. Now when they went out to review the job, they identified some areas

Page 155

that were concerning for them, and that would be the clearance to remove this spool in the congested area that we had, the stops that were physically on the crane itself, so this is a crane that would lift up and go along a crane wheel and some physical stops that were perhaps inadequate, and the weather conditions that were prevailing for the rest of the course of that time. So they reported back to the supervision, who also then visited the site and agreed, as they reviewed that, that looking at the Risk Matrix, it would be an area that would be considered between a kind of remote and occasional for the pipe work to be physically dropped as a dropped object, how often does that occur, you know, within Husky or within the industry, so there are occasions within the industry where there are dropped objects. So that would be between occasional and remote, and the consequence of the physical pipe work, where it was a three ton weight dropping in that area would be quite significant in terms of consequence. So to date we have not completed that scope of work, and we are looking at different ways and

Page 156

means, of course, to go back to the crane, review the crane arrangement, and see what else we can do to mitigate against that. So we've had that work on our books, I would think, for around a year awaiting kind of further assessment. It's a piece of pipe work that gives us flexibility, it doesn't restrict us in any way in general operations. We would like to get it replaced and changed out for flexibility purposes and usage there. So that's just an example whereby the work part was created onshore and reviewed there. Not everything can be fully assessed, it needs to go offshore. The workforce were involved and the subject matter experts, and they determined that, you know, we're too close to the likelihood and the consequence arrangements prevent us from going ahead with that job as we currently stand today.

COMMISSIONER:

Q. Just on that point then, I take it production is not held up?

MR. PRITCHARD:

A. No.

COMMISSIONER:

Page 157

Q. So you can take the time to study this?
MR. PRITCHARD:
A. That's correct.
COMMISSIONER:
Q. Another questions, if you don't mind, Mr. Roil, while we're on the subject, we talked this morning about individuals doing particular work and having responsibility for a certain thing. Let's say, to pull an example out of the air, the refuelling of helicopters. If "x" is refuelling helicopters, he's not doing that all day long, or she. Do people do multiple jobs? I presume they do, do they?
MR. PRITCHARD:
A. They do, yes.
COMMISSIONER:
Q. And they're trained in the multiple functions?
MR. PRITCHARD:
A. Indeed. They vary from installation to installation as to who you take on board as your helicopter landing officer and refuelling team or whatever, depending on what their other duties on board may be.
MR. VOKEY:
A. Mr. Vokey, Commissioner, on behalf of Terra

Page 158

Nova, we use our vessel crews as part of the helicopter landing, and the crane operator would be the helicopter landing officer, and he would have a support team of firefighters and baggage handlers during helicopter operations. So they wouldn't be doing concurrent tasks while a helicopter is down. That would be their primary task.
COMMISSIONER:
Q. Because I heard of that principle before that a crane operator --
MR. VOKEY:
A. That is fairly standard.
COMMISSIONER:
Q. He won't be operating the crane when a helicopter comes along?
MR. PRITCHARD:
A. The crane needs to be actually in its cradle by procedure, so consequent it's a good fit that the crane driver becomes the helicopter landing officer for that very reason.
COMMISSIONER:
Q. One other question that occurred to me this morning, when tasks like that, fairly routine tasks, but tasks nevertheless, have some

Page 159

degree of risk attached to them should something go wrong, is there a safety person in the area, or are the actual workers the safety people, as well as doing the job?
MR. PRITCHARD:
A. In general, the people doing the jobs recognize the hazards and the mitigations that are there, so they are all encompassing themselves. We do, however, have a safety advisor on board who will monitor jobs and understand the operations at hand, and will go to the sites, the work sites, to review the team physically working.
COMMISSIONER:
Q. I see, so the actual worker gets some support from the safety person?
MR. PRITCHARD:
A. Correct.
COMMISSIONER:
Q. When necessary.
MR. PRITCHARD:
A. When necessary, and when selected by the safety advisor to go to specific sites.
MR. VOKEY:
A. We generally have, and I think for all

Page 160

installations, we have two types of tasks. We have routine type of tasks and we have critical tasks or critical procedures. Something like refuelling a helicopter would be a critical task, and that means there's a set sequence for doing everything. So the knowledge required is different than if it was a routine task. In addition to that, everybody that's on the helideck or supports those type of operations during helicopter landings or takeoff, they actually undergo every three year training, which is a two day training course, for helicopter operations. So they are trained specifically in how to handle and refuel helicopters.
COMMISSIONER:
Q. Okay, thank you for that, because I didn't realize that a distinction was made like that between critical tasks and not so critical tasks, routine tasks.
MR. VOKEY:
A. I can speak on behalf of Terra Nova, approximately one-third of all our tasks we consider critical tasks, and by critical, it means there has to be a set sequence and

Page 161

protocol of how that job is done.
COMMISSIONER:
Q. Does that apply to the your installations as well?
MR. PRITCHARD:
A. We have routine tasks, what's considered low risk tasks, and some critical tasks.
MR. SACUTA:
A. We have what's considered integrity critical, and in those situations we have specific procedures that have to be followed step by step and initialled off as you complete each step to identify the task is a critical task and you need to follow the procedures step by step as part of that process.
COMMISSIONER:
Q. Okay, thank you. Mr. Roil.
ROIL, Q.C.:
Q. Thank you. Thank you, Mr. Pritchard, and Mr. Sacuta, I believe that you had something you wanted to clarify from what you said this morning.
MR. SACUTA:
A. Yes. This morning we talked a little bit about the three refusals that we had on

Page 162

Hibernia, and although I intended to discuss them tomorrow as part of the Helicopter Operation Task Force section, I thought it was appropriate that maybe I give a little summary on those three refusals.
COMMISSIONER:
Q. By all means, yes.
MR. SACUTA:
A. Yes, the process that you follow when anybody refuses work is that the individual raises concern with his immediate supervisor. They have a discussion and they attempt to resolve the issue. If it's not resolved to the employee's satisfaction, he then has the option to take it to the JOHS Committee. He's supposed to discuss it with the safety rep and it would go to the JOHS Committee. At that point in the process, the offshore installation manager must contact the on duty board safety officer to let them know that we have a right to refuse dangerous work being reviewed and it's going to the JOHS Committee. The individual would then present his case to the JOHS Committee and the JOHS Committee would evaluate and try to determine whether or

Page 163

not it was a valid right to refuse dangerous work or whether it wasn't. At that point, if it's not satisfied to the satisfaction of the individual or to any kind of the JOHS Committee, it would then get referred to the Board. At that point in time, the Board would normally involve two of their safety officers to do an investigation. As I mentioned, we had three refusals shortly after Mr. Decker's testimony. Two were associated with the auxiliary fuel tank, and one was associated with the cracks on the main gear box mounting feet, which was a known issue with Sikorsky. So the Board investigated all three of those and when the Board does their investigation, they interview the individual to make sure they understand exactly what the individual's issues are. They interview the JOHS Committee to make sure that they understand the discussion that was held of the JOHS Committee and the opinion of the JOHS Committee. They interview the individual's supervisor. They also gather information from an other sources. In these three situations, they gathered information from Cougar, they gathered

Page 164

information from Sikorsky through Cougar on all of these issues. In all three cases, the Board issued a very detailed summary report with the process and the steps that they took to evaluate whether or not it was a valid right to refuse dangerous work, and in all three cases they indicated that the auxiliary fuel tank and the main gear box feet cracks did not result in an unacceptable increase in risk for helicopter transportation. That was their opinion. After that ruling was provided by the Board, all three individuals then subsequently transited offshore by helicopter and the item was considered closed based on that fact. It went through the entire process, the Board issued its opinion or its decision, and then in this case the three individuals have now returned to their normal helicopter operations.
COMMISSIONER:
Q. Okay, thank you.
ROIL, Q.C.:
Q. Unless there are any other follow up items from this morning, Mr. Vokey, I think you had taken us to approximately 59, slide 59.

Page 165

MR. VOKEY:
A. Yes.
ROIL, Q.C.:
Q. And we are now going to focus a little more on helicopter operations.
MR. VOKEY:
A. That's correct, sir. The next heading is helicopter services or helicopter operations. In this section of the presentation, I'll speak in a little more detail about helicopter operations, including the following; the oil and gas related regulatory references, the helicopter operations, the general types of services provided, the selection of Cougar as the helicopter service provider by each of the operators, the activity that Cougar led in the selection of the S-92 airframe, and the decision process by each of the operators to move to using the S-92 airframe for respective operations, and some of the key features of the S-92 which made it an appropriate airframe for use in our operating environment. In his testimony last fall, Mr. Pike, the Chief Safety Officer with the Board, provided excerpts from several places in the Board's

Page 166

guidelines where helicopter operations are referenced. The guidelines respecting drilling operations contain specific expectations. All operators must meet these expectations in order to hold a valid work authorization. All operators are in compliance with these expectations. This slide and the next will provide a list of specific references for helicopter operations. I'm just taking a look at some of them there. Helicopter operations or helicopters must be certified by Transport Canada, the pilots must be licensed by Transport Canada, training and experience of crews and first response technicians are required, and provision of flight time for first response practice and drills. It also goes on to talk in general about what aircraft should have. They should have multiple engine designs, be capable of landing on the water in at least moderate sea states, have upper torso passenger restraints, externally mounted life rafts, and be configured to allow emergency egress of passengers. In addition, they must be able to communicate with shore-based and other

Page 167

installations and vessels in the field.
ROIL, Q.C.:
Q. Okay. Mr. Vokey, you slipped there from the word "should" to the word "must", and that was leading to my question, and I think we went on this this morning, but I just want to be clear. These "shoulds", I take it become "musts" by virtue of the fact that these are conditions for your work authorizations?
MR. VOKEY:
A. That's correct. If it is included there, the "shoulds" in essence for us would become a "must". There are -- there are some isolated instances, and I'll give you an example. Where do I find it here; be equipped with externally mounted life rafts. There are helicopters that we have used here, the Sikorsky S-61, for example, does not have externally mounted life rafts, but it does have internally mounted life rafts right at the main entrances and exits from the helicopter. So in a case like that, if the operator can demonstrate an equivalency, they may be granted that equivalent standard, but for the most part, where it says "should" it's

Page 168

in essence a "must".
ROIL, Q.C.:
Q. And you don't change from "must" to a "should", I take it, unless you have approval from the C-NLOPB to make that deviation?
MR. VOKEY:
A. Yeah. The other way is a lot more difficult to go.
ROIL, Q.C.:
Q. Yeah, because I think the word "should" sounds to most of those of us that use English in its ordinary parlance, it's, oh, well, you know, you try to do it nine times out of ten, that sort of thing.
MR. VOKEY:
A. No, for the most part, where it says "should", I mean, the Board, if you don't, you have to demonstrate an equivalency.
ROIL, Q.C.:
Q. Okay.
MR. VOKEY:
A. So the next slide, I believe, is slide 62 in the pack. It talks about some other things; passengers must receive helicopter underwater escape training, suitably briefed prior to

Page 169

transport, don't normally carry freight and passengers in the same aircraft or in the same compartment, flying at night should be avoided to the extent possible, reserve helicopter fuel to be kept in the field, consideration given to providing goggles and appropriate breathing devices to assist underwater escape, and proven automated usage and monitoring systems should be used where practicable.

ROIL, Q.C.:

Q. Again I just want to slow us down a little bit and focus on some of these because there are some words like "normally" and "should be avoided", that I want to focus on. First of all, all passengers must receive HUET training. I think we've got a lot of evidence about how that's done, so we won't spend any time on that. Passengers must be suitable briefed prior to transport, and wear approved helicopter transportation suits. We know about the transportation safety suits. Where does the briefing take place?

MR. VOKEY:

A. The briefing for helicopter transport would take place at Cougar's facilities out adjacent

Page 170

to the airport.

ROIL, Q.C.:

Q. Okay, and we'll hear from them specifically as to the details of that. Passengers and freight should not normally be carried on the same aircraft. I don't know what "normally" means. Does that mean you can do it once a week, once a month, once a year? Explain to the Commissioner and to those of us in the room what -- how that's interpreted and how's that worked and applied over the past number of years?

MR. VOKEY:

A. Okay. On occasion in the past, and I'll speak in more recent years in a minute, but in the past, depending on the type of aircraft, we did have latitude in terms of physical dimensions, the size of doors and what not, there was an ability to carry equipment and people concurrently. Since we've had the S-92s, I know of no instance where we've carried both equipment and people in the same compartment, and the reason the Board would say it shouldn't normally be carried there, because it does have the potential of being an

Page 171

egress issue, or in the event of a helicopter impact, something becoming dislodged and becoming more of a projectile, but in recent times none of the operators, to my knowledge, and I've gotten that from Cougar, with the new airframes, have carried both cargo and passengers in the same.

ROIL, Q.C.:

Q. Does that mean they can't take a mail bag with some mail in it or are we talking --

MR. VOKEY:

A. No, that would be in the cargo compartment. I'm talking specifically in the passenger compartment.

ROIL, Q.C.:

Q. Okay, so the airframe does have the capacity to have a portion --

MR. VOKEY:

A. For luggage.

ROIL, Q.C.:

Q. For luggage.

MR. VOKEY:

A. For luggage and that type of cargo, yes.

ROIL, Q.C.:

Q. Consideration of weather and helicopter loads

Page 172

when planning flights, what does that mean?

MR. VOKEY:

A. I think when the question was asked this morning, Mr. Sacuta said, you know, our operating environment is unique because of the weather potential and the harshness of it. In terms of -- in terms of the weather and the load limits, any helicopter that's going offshore must carry enough fuel to not only get to the offshore location, but it needs to anticipate what the maximum head winds would be, for an example. They would also need to have enough fuel to hold a holding pattern, and in the event that they weren't able to land offshore, that they would have enough fuel to come back, not only to St. John's, but its closest alternate, and that could be Long Pond, it could be Gander, it could be any other known area where you're known to have adequate weather.

ROIL, Q.C.:

Q. So the business of how the helicopter works on a daily basis has to take into consideration the weather that is prevailing at that time?

MR. VOKEY:

Page 173

A. That's correct, sir.
ROIL, Q.C.:
Q. Flying at night should be avoided to the extent possible. So there's two wiggle room places there. What does that mean practically in terms of how -- in the world of Newfoundland we have now, I come to work and it's fairly dark and I go home and it's fairly dark. What's a night flight and when do you fly in the night, and again all of your answers here obviously can be ultimately asked of Cougar, who are perhaps the better people, but I need to know what your understanding is of what that caveat means to you?
MR. VOKEY:
A. For us, a night flight is any night that either starts or terminates in darkness. So it doesn't have to be fully in darkness, but if a helicopter, say, leaves St. John's this time of the year at 3 o'clock, gets to the offshore installation at 4:30, it's still daylight.
ROIL, Q.C.:
Q. This is in the afternoon we're talking?
MR. VOKEY:

Page 174

A. In the afternoon, sorry, but the return flight, a portion or all of that flight would be in darkness. So that's one example. Another example could be the total, the whole of the flight would be in darkness. So it includes either total darkness or partial darkness. I think it's fair to say from all operators that are operating here, it is certainly our business objectives and operational objectives to complete all our flying in daylight hours. The challenge is because of the weather, the inclement weather that we do experience from time to time, we do have the potential for creating what we refer to as a backlog of people to be transported to and from the offshore installations, and in cases like that to clear it up, we are required to get rid of the backlog by flying into the evening, and it's not an issue that's taken lightly with the operators. We do have a number of criteria or check sheets that we go through, and as an example, you would need to verify that, you know, your own first response capability is not inhibited in any way, that the 103 Cormorant, 103 Squadron in Gander doesn't have any limitations, your weather to and from offshore in terms of winds, sea states, is adequate, and you don't reasonably have a good chance of mitigating your backlog over the next day or so because of weather forecast. So in cases like that, the operator will elect to fly at night.
ROIL, Q.C.:
Q. At this time of the year on the coast of Newfoundland, what number of flights or percentage of flights, or how much flying happens either in the early morning before it's light, or in the late afternoon, early evening, when it's dark?
MR. VOKEY:
A. I don't have the exact numbers, but I know statistically you're probably looking in the 5 percent.
ROIL, Q.C.:
Q. As opposed to 25 or 30 percent?
MR. VOKEY:
A. Yes.
ROIL, Q.C.:
Q. Yes, okay.
MR. VOKEY:

Page 175

Page 176

A. Five percent range, and I wouldn't be off more than a percent there.
ROIL, Q.C.:
Q. Okay, reserve helicopter fuel to be kept on the facility, including rationale. I understand the first part of that. What's the rationale about?
MR. VOKEY:
A. I think that goes -- they go back to some outdated regulations, but --
ROIL, Q.C.:
Q. Outdated wording?
MR. VOKEY:
A. Outdated -- well, outdated wording, and the specific reference was the MODUS, which is Mobile Offshore Drilling Units, but what it takes into account is you need to be able to justify the amount of fuel you keep on board by the type of operations you're conducting. So if you're flying three helicopters a day, don't sit there with a tow tank of one cube on board because that wouldn't be adequate for the type of operation that you have.
ROIL, Q.C.:
Q. Okay, so it isn't to minimize the amount, it's

Page 177

to rationalize the amount?
MR. VOKEY:
A. It's to ensure that you've got adequate in the event you need it.
ROIL, Q.C.:
Q. And these helicopters do refuel at the various installations that they land at?
MR. VOKEY:
A. Yes.
ROIL, Q.C.:
Q. At all of them?
MR. VOKEY:
A. Yes.
ROIL, Q.C.:
Q. Consideration be given to goggles. I think we've come across goggles, and appropriate breathing devices, we've dealt with that fairly extensively. Proven automated usage and monitoring systems. I recall with one of the earlier witnesses some colourful exchange between he and I about HUMS, and what HUMS meant. I take it, that's what you're talking about there?
MR. VOKEY:
A. For the S-92, that's what the system is

Page 178

called. HUMS is Health Usage Monitoring System.
ROIL, Q.C.:
Q. Right.
MR. VOKEY:
A. And it just monitors all the critical aspects of the helicopter, and after every flight, Cougar actually takes the information and downloads it into their software, and it gets sent to Sikorsky's headquarters.
ROIL, Q.C.:
Q. Do I take it that other airframes at different times may or may not have the same level of monitoring and usage information?
MR. VOKEY:
A. That's correct. I mean, it is a later technology and that is one of the -- I guess, one of the aspects of the S-92 that makes it attractive. It does have the ability to monitor some of the critical aspects of the airframe.
ROIL, Q.C.:
Q. Okay, I think that's all the questions I had for this page. Thank you, we can move on.
MR. VOKEY:

Page 179

A. Each of the operators have a contract with Cougar Helicopters for the provision of helicopter services. The types of services that Cougar has been contracted to provide would include; supply, operation, and maintenance of helicopters, specialized personnel. That would include pilots, flight dispatch, mechanics, maintenance personnel, terminal services, things like baggage handling, security, and screening. Passenger and cargo administration. Every person and piece of cargo that travels to the offshore by helicopter has to be included in a flight manifest, and like I say, both individuals and baggage goes through a security screening. Even down to individual's weight. So in the case of passengers, there's an administrative process when an individual checks in, it talks about their latest identification of their next of kin, their BST certification, their medical certification, and like I say, right down to their weight. Like I said earlier, while the primary means of transport of cargo would be by supply boats, periodically smaller parts will be flown on a helicopter, but not

Page 180

in the same compartment as individuals. Cougar also provides air ambulance services, and that's to ensure the timely evacuation of anyone who has to be evacuated from an offshore facility for medical reasons. They also have to provide first response services, and that'll be described later in the presentation in more detail by one of my colleagues. Some other specialized services, some of the helicopter operators or users of helicopters use the helicopters for things like changing out flare tips offshore. I know in the past Terra Nova has done it a couple of times, and I believe Hibernia and Sea Rose likewise.
ROIL, Q.C.:
Q. This is a heavy lift function?
MR. VOKEY:
A. This would be a heavy lift function of the helicopters. In order to ensure the most effective use of helicopters that Cougar operates, the operators pool the helicopters. That way, there's a specific -- if there's a specific airframe out of service, that no one operator is penalized for that. So it is an

Page 181

agreement between the operators saying that we'll each contribute a helicopter, and any day one is out for maintenance, that we'll each share the remaining helicopters.

ROIL, Q.C.:

Q. Okay, before we go on there, I'd like to explore a little bit how the system works because ultimately the individual contracts are individual to the companies, and we'll have to bring those contracts out in that phase of this inquiry, but we understand that there is a pooling arrangement, we understand that there are airframes. So let me just take it in baby steps. Each of the three major companies that are out there has an airframe that is assigned to it, that's it's contracted for?

MR. VOKEY:

A. We each contract one helicopter.

ROIL, Q.C.:

Q. One helicopter, so that gives us three. We now have a new operator out there called ConocoPhillips. Do they share in that third one or is there a fourth one?

MR. VOKEY:

Page 182

A. Not as such, but they're flying program takes them into somewhere around 1 o'clock in the day, and when their helicopter -- when they're finished with their helicopter, they do make their helicopter available to us.

ROIL, Q.C.:

Q. So there are now out at the, call it Torbay Airport, giving away my age, St. John's Airport, there are four airframes?

MR. VOKEY:

A. There's four available, that's correct.

ROIL, Q.C.:

Q. On March 11th and 12th, how many were there then? I'm trying to establish the size of the pool. Is it always three, has it been four, does it go down to two, does it go up to five? Just give us some understanding of that.

MR. VOKEY:

A. I stand to be corrected on this, but I believe there was four. Maybe Mr. Sacuta can just comment.

MR. SACUTA:

A. There was four. Statoil was drilling at the time. Statoil brought in an helicopter for their operation, so each of the operators had

Page 183

theirs and Statoil had a S-92 as well.

ROIL, Q.C.:

Q. Okay. So the pooling arrangement can involve three or four helicopters?

MR. SACUTA:

A. If you elect to participate in the pooling arrangement, yes.

ROIL, Q.C.:

Q. Yes, okay. We have as an exhibit -- I don't want to take it out and talk about it line for line, other people may, but we do have the helicopter pooling charter. Mr. Vokey, if you can just explain to us -- because again probably a lot of people don't understand, on any given day, does -- do all three helicopters fly out, is there always one left behind? How does the flight thing work in a practical sort of way?

MR. VOKEY:

A. Well, these helicopters, I mean, like any piece of machinery, require maintenances, but let's assume there's a day when none of the helicopters are US or unserviceable, there's always that one helicopter on the ground and that would help satisfy the first response

Page 184

requirements for one hour wheels up. So the other two helicopters on a pre-set agreement between the operators would be flying out to each of the installations. So Hibernia would not necessarily fly the helicopter that they contracted, that helicopter might, in fact, be going to Terra Nova, but in the event of backlog or weather, the pooling agreement sets out the structure for when we'll resume helicopter operations, how you get rid of backlog, and what constitutes priority, you know, where technical emergencies would fit in there, where medivacs would fit in there, and it's just -- it's not real tightly worded, I think, if you read it, but it's the spirit of there's three operators here, we have three aircrafts, let's use them to the mutual advantage.

MR. PRITCHARD:

A. Just for clarity there, Mr. Roil, to sort of make a point that the three aircraft do rotate in operational duties on any one day.

ROIL, Q.C.:

Q. Yes.

MR. PRITCHARD:

Page 185

A. So the three helicopters are operationally in use, but any one time we always maintain since March 12th, and back to service, one airframe on the ground designated for SAR duties.

ROIL, Q.C.:

Q. So three are able to fly. Two could be taking people back and forth?

MR. PRITCHARD:

A. Correct.

ROIL, Q.C.:

Q. The third one would be there.

MR. PRITCHARD:

A. Yes.

ROIL, Q.C.:

Q. That third one might be a different airframe in the afternoon than it was in the morning?

MR. PRITCHARD:

A. In three hours time that airframe that's on the ground may well be an operational helicopter, just to make sure --

MR. VOKEY:

A. Yeah. I guess -- no, for clarity, probably what I should have said, the one that's on the ground can't leave until one of the other two helicopters are back.

Page 186

ROIL, Q.C.:

Q. Yeah. So it's not that there is a helicopter marked number one that goes to Hibernia every day, and marked number two that goes to Terra Nova, or three that goes to White Rose. This pooling and sharing arrangement happens on a daily basis?

MR. VOKEY:

A. That's correct, it's an ongoing basis. The next slide I'll talk a little bit about selection of Cougar as the helicopter service provider.

ROIL, Q.C.:

Q. Before you go on, there was a line there again that we didn't deal with. It says, "Operators conduct independent formal audits of Cougar". This is something that I gather we will deal with in more detail in the individual presentations?

MR. VOKEY:

A. That's correct. On slide 64, as the Hibernia Development was the first of the offshore producing assets, HMDC led the first bidding process for the selection of the helicopter service provider. HMDC's competitive bid process is similar to that of the other operators, and included a pre-qualification of the potential bidders, and that's a process that ensures that each potential service provider is qualified to perform the work. Cougar was one of three qualified bidders. The competitive bid process included a detailed scope of work, the submission of a formal bid proposal from the three qualified bidders, a detailed analysis of the bidders by a multidisciplinary team, and they assessed the safety and environmental performance of the bidders, technical capabilities of the bidders, the commercial proposal from each of the bidders, and to the extent to which in the delivery of the service contract the bidder met the Canada and Newfoundland and Labrador benefits commitments. Cougar was awarded the contract for Hibernia's helicopter service provision in 1995. As a normal component of any major contract service bid, the recommendations of the operator are shared by the operator with the regulator, in this case the C-NLOPB, in advance of the contract award. If the regulator has specific issues or

Page 187

Page 188

concerns with a contract recommendation at this stage, they may direct the operator to do additional contract analysis. In this case, the recommendation was reviewed and validated by the Board.

ROIL, Q.C.:

Q. Now prior to 1995, I take it from all of your evidence, or at least a couple of you, that you might have been here prior to that time, was Cougar or was there another company or companies providing the service prior to that time?

MR. VOKEY:

A. There were other companies. I believe CHC was here at one point, a company called Sealand Helicopters.

ROIL, Q.C.:

Q. But from 1995, the only provider has been --

MR. VOKEY:

A. That would have been the only -- because the drilling programs would have finished up in the mid to late 80s.

ROIL, Q.C.:

Q. Right.

MR. VOKEY:

Page 189

A. So during that period there wasn't any offshore activity.

ROIL, Q.C.:

Q. Right.

MR. VOKEY:

A. So other operator selection of Cougar Helicopters. For Petro Canada, in preparation for the development of the Terra Nova Project, Petro Canada also initiated a competitive bid process for helicopter services. The requirements outlined in Petro Canada's scope of work included those noted in the description of helicopter services in the first slide of this section, and also the full time -- the requirement for a full deicing capabilities. The bid analysis process for Petro Canada followed essentially the same process that HMDC conducted. Petro Canada also used a multidisciplinary team to review its bid and contracted an aviation consultant to participate in the bid review process. This was not a core skill for Petro Canada at the time. Cougar was recommended as a service provider and the contract between Terra Nova or Petro Canada and Cougar was established in

Page 190

the fourth quarter of 1998.

ROIL, Q.C.:

Q. Can I just stop you there. Can I take it from that, that there was -- there may have been good commercial reasons to use Cougar, but there was no requirement as a term of your licence that you use the same provider that was being used by HMDC?

MR. VOKEY:

A. There was absolutely no requirement. I guess, one of the things when you are working in a basin, though, as small as the Grand Banks that we are operating in, there are economies of scale. So the fact that Cougar was here, was set up, had the facilities, had the space, whether or not you could argue they had a competitive advantage or not, I mean, it's up to the individual, but for some of those companies when they're here first, it does give them an advantage because the money has been invested and now it's just a matter of it being shared among the participants.

ROIL, Q.C.:

Q. Uh-hm. Okay, thank you.

MR. VOKEY:

Page 191

A. In preparation for the White Rose Project, Husky also initiated a competitive billing process for helicopter services, and they too selected Cougar, and their contract was established in 2003. Contracts between the operators and Cougar are for specified periods with extension options, and all operators revisit their helicopter contracts periodically to determine if extensions and/or a rebid is required. I'm just going to talk a little bit about the selection of the S-92A now, the Sikorsky S-92A. At the time Cougar was selected by each of the operators, they were using Super Puma as their primary airframe. As their base of operations expanded, Cougar added the Sikorsky S-61 to the fleet, and they --

ROIL, Q.C.:

Q. I'm sorry, before you go on, people don't necessarily understand, is Eurocopter a piece of equipment manufactured by Sikorsky, or is that --

MR. VOKEY:

A. Eurocopter Super Puma is manufactured by Eurocopter.

Page 192

ROIL, Q.C.:

Q. It's an entirely separate company?

MR. VOKEY:

A. It's a competitor, but --

ROIL, Q.C.:

Q. Okay, I was trying to avoid that word, but, yes, exactly.

MR. VOKEY:

A. And the S-61, S-92 is Sikorsky.

ROIL, Q.C.:

Q. So Sikorsky have various airframes?

MR. VOKEY:

A. That's correct.

ROIL, Q.C.:

Q. And they're all designated as "S" something.

MR. VOKEY:

A. And Eurocopter in terms of Super Pumas, they have a couple of different models. We had the model 332L here. They do have a new competitor now for the S-92, which is the Eurocopter 225.

ROIL, Q.C.:

Q. Okay.

MR. VOKEY:

A. So as I mentioned, as their base of operations

Page 193

expanded, Cougar added the Sikorsky S-61 to the fleet, and at that time they also began to assess new helicopter technology. The analysis was conducted over a number of years beginning back in 2000. Cougar's analysis began to centre on two leading contenders; the Sikorsky S-92A, and the Eurocopter E-225. Cougar eliminated the Agusta Westland EH-101 from a detailed consideration due to maintenance support limitations and weight considerations. The EH-101 is a significant heavier helicopter, and it may have been a limitation for a number of vessels or rigs operating on the Grand Banks if they weren't designed for those heavier loads for their helidecks. So that would have been one of the reasons.

ROIL, Q.C.:

Q. If I can stop you there, you mentioned Agusta Westland, which I take it is another manufacturer. Are there any other manufacturers in the world, and you may not be the expert, so if you can't answer it clearly, then answer it with, "I don't know", or "I'm not sure", but is it essentially a choice of

Page 194

three heavy lift helicopters, or are there 27 or 50 or 100? Is it like buying a car or is it like buying a particular vehicle for a particular purpose?

MR. VOKEY:

A. You're right, I'm not the one to ask. The only other one that I am familiar with that we have used here in the past is the Bell Helicopters.

ROIL, Q.C.:

Q. So there are other manufacturers. Whether they make anything that is appropriate, you wouldn't be best to ask that?

MR. VOKEY:

A. That's correct. Cougar would certainly be able to shed some light, though.

ROIL, Q.C.:

Q. Okay, thank you.

MR. VOKEY:

A. Cougar determined that the S-92A and the Eurocopter 225 were the two airframes most suitable for east coast offshore operating environment. Cougar conducted a detailed analysis of the leading contenders, which included an analysis of Sikorsky's

Page 195

certification process through the Federal Aviation Authority, or as we know, the FAA, and their production program for the 92, and also a detailed technical analysis of the Eurocopter and Sikorsky airframes, particularly in terms of their respective size, fuel capacity, range, and availability of simulators for each of the respective airframes. This process led Cougar to recommending the Sikorsky S-92 to Petro Canada. Petro Canada had been working jointly with Cougar through this analysis and ultimately agreed to proceed with the selection of the S-92A. This recommendation again was brought forward to the C-NLOPB for endorsement in accordance with the guidelines that I referenced earlier in this section. Petro Canada took delivery and put the first of Cougar's S-92 in service in April of 2005. Ultimately, Cougar worked with HMDC and Husky, who conducted independent reviews and ultimately adopted the S-92A. I just want to talk about some of the considerations. When Cougar conducted its review of the airframe options, there were several key considerations

Page 196

for the east coast offshore basin. One was the overall safety features of the S-92. Another was passenger capacity. The S-92 had greater passenger capacity than that of the Super Pumas, and the S-61, that's previously been used by Cougar. Speed and range was a factor. Range is a critical consideration for offshore producing fields because they are in excess of 300 kilometres offshore. Cargo capacity and flexibility was another consideration, maintenance requirements and support capability, and the overall track record of the manufacturer. Ultimately, Cougar's recommendation to the operators was that the S-92 was configured best for Newfoundland offshore basin. To speak a little bit about the transition from the 61 Super Puma to a full fleet, as noted previously, Petro Canada took delivery of the first S-92 in April of 2005. Cougar's pool of helicopters at that point expanded to include Super Pumas, S-61s, and then S-92As. From 2005 to 2007, HMDC and Husky independently completed their assessment of the S- 92 airframe and executed their respective

Page 197

agreements with Cougar. By mid 2007, Cougar completed its transition to a full S-92A fleet as it is today. Some of the features of the S-92, and we did talk about the HUMS, but the S-92, like the Eurocopter, the newer helicopters do use newer technology. Anti-deicing would be more of a standard, the Health Usage Monitoring System, the S-92 has bird strike protection, and some of the older aircraft didn't have those types of features. Another reason, I guess, why Cougar back in 2000 took a look at their fleet, I mean, the Super Pumas have been around for in excess of 25 years, the S-61s, they had been around since the 60s, and given the maturity of the field, given that Hibernia was just on stream, Terra Nova was coming next, and White Rose was next to become the third, Cougar took it upon themselves to say, okay, you know, this basin is going to be here for the next 15, 20, 25 years as a minimum, what do we have to do in order to secure airframes for the greater part of the life of the field, and take advantage of some of the new technologies. So that was, in essence, the driver for that, and I believe

Page 198

that concludes the section. I don't know if you've got any questions.

ROIL, Q.C.:

Q. Before you leave, let me just ask you one question, and that is -- and this is really for all three of you -- prior to the incident on March the 12th, 2009, did any of your companies have any reason to believe that there were concerns with respect to the S-92, in terms of its safety and its performance generally?

MR. VOKEY:

A. I will just speak on behalf of Suncor first. The answer to that is no. We did have, I guess, indications from our workforce. The issue of chip lights came up more prevalent with the S-92.

ROIL, Q.C.:

Q. Chip lights, what are those?

MR. VOKEY:

A. Chip lights, that's where you pick up magnetic particles in the gearbox and it may or may not be indicative of a premature or an impending failure. The S-92, in terms of what it measures and the number of chip lights or chip

Page 199

pickup points far surpassed any of the older vintage helicopters. So in the early days when we were improving on that technology and trying to perfect it, we did have some bogus or, you know, false chip lights, but that didn't help our workforce and you know, in some ways, justifiably so. I mean, the chip lights were supposed to work and if you got a light indication, you know, there must be something wrong. So Cougar's procedure was any time there was a chip light, you know, you don't try and wait to get to an installation or analyze it when you get back to town. Their protocol was to return to town. So we did have more what we refer to as boomerang flights due to early chip indications and I think anybody that's flown offshore for any period of time, they've all got their preferences on the types of airframes and it's no different than, you know, somebody likes a Ford or a Chev or you know, even down to a particular model. A lot of our people like the S61. Most of them have flown in Super Pumas for a long time, but some of the motion or vibration characteristics of the S-92 which

Page 200

is inherent in the design -- it's not a substandard design, but it's just different, we did have feedback from some of our employees that, you know, they felt there was more vibration than previous. But that was the only indicators that I can recall right now.

ROIL, Q.C.:

Q. Either of the other gentlemen have anything to offer on that?

MR. PRITCHARD:

A. From Husky's point of view, we took our due diligence with our aviation expert and we had no safety concerns from that point of view with the S-92.

MR. SACUTA:

A. Also from HMDC's perspective, we did do annual audits using an aviation specialist of ExxonMobil's corporate aviation group and no issues were raised at any point in time before the March 12th incident.

ROIL, Q.C.:

Q. So I take it that by these chips, there was more information being given to the pilots which enabled them to make decisions about

Page 201

turning around, but that was interpreted by the consumers, by the users, by the workers, as being that these machines were perhaps less reliable?

MR. VOKEY:

A. Your chips are your early warning system.

ROIL, Q.C.:

Q. Okay. I think we're ready to move on now to the next section, which Mr. Sacuta is going to take us through.

MR. SACUTA:

A. The next section is to discuss personal protective equipment for helicopter transportation and it's specific to passenger safety.

As I discussed this morning, there are a number of regulations that require or outline the requirements for passenger transportation suits and I'm not planning to go through them all again, but they're all shown on this slide. So it was talked this morning in my regulatory overview section on that item, unless you have any questions.

ROIL, Q.C.:

Q. No, that's fine. I think we've had some

Page 202

evidence before about that and nice to refresh us, but we don't need to take it line for line, absolutely. Thank you.

MR. SACUTA:

A. Prior -- initially, the operators used the Mustang flight commander suit and MS2000 suit until the fall of 2007. It was recognized that the suits were coming to the end of their useful life, so as a continuous improvement initiative in the mid to late 2006, the operators undertook a joint bidding exercise to replace the existing Mustang suits.

ROIL, Q.C.:

Q. Okay. Now the Mustang suit, in terms of photographs that you see that are taken a few years ago, is that the yellow suit?

MR. SACUTA:

A. That is the yellow suit. It did also have a neck seal, a different design to the suit that we've got today.

ROIL, Q.C.:

Q. Okay.

MR. SACUTA:

A. The basic scope of work was for the supply of helicopter passenger suits compliant with the

Page 203

latest Transport Canada standard, which is the CGSB standard, which also includes the requirement for life vests and PLBs. The suits were also required to be HUEBA capable. It was identified in 2006, when we started this process, that we were going to implement HUEBA and they wanted to make sure that whatever suit we got had to be capable of using the HUEBA.

Any replacement suit was also required to meet both the helicopter passenger transportation suit system that was adopted by Transport Canada and the marine abandonment immersion suit standard, which is also a CGSB standard which was adopted by Transport Canada Marine.

ROIL, Q.C.:

Q. Okay, and I think the next slide deals with a question that I have and I'm sure other people have had as well, and that is why was there a decision made to combine them?

MR. SACUTA:

A. Right.

ROIL, Q.C.:

Q. Because it's hard to understand what the

Page 204

rationale was for that.

MR. SACUTA:

A. I understand that. For operational flexibility, the operators also specified the suits to be compliant with the marine abandonment immersion suit standard. This was not a cost saving exercise. As a matter of fact, the suits were more expensive to be dual standard compliant.

ROIL, Q.C.:

Q. So the suit to be dual standard would have cost you more per unit than simply to one standard?

MR. SACUTA:

A. That's correct, and it was not the intent that this suit was ever going to replace the requirement we have offshore to maintain 200 percent abandonment suits. There's a regulated requirement that if you've got a POB of 280, like we do at Hibernia, you have to have -

ROIL, Q.C.:

Q. A POB, what's a POB?

MR. SACUTA:

A. If you've got personnel on board, sorry,

Page 205

that's 280, you need to have 200 percent of those, of that number in abandonment suits.

ROIL, Q.C.:

Q. So if you have 280 personnel working on board, you have to have 560 of those suits?

MR. SACUTA:

A. Right.

ROIL, Q.C.:

Q. And so this was not meant to be part of that complement?

MR. SACUTA:

A. This was not meant to eliminate the -- what we currently in place on board the facilities.

ROIL, Q.C.:

Q. Okay.

MR. SACUTA:

A. What it did recognize is that we would have the ability to use this suit during both helicopter transportation and during situations where we crew changed by vessel, if there was weather that would not allow helicopter transportation. Then we were able to take the suit and use a suit that was already certified for marine evacuation or marine abandonment as well as part of your

Page 206

voyage on the supply vessel when you were transiting to the facility.

ROIL, Q.C.:

Q. Okay. So if I was going out by supply boat but I might be coming back by helicopter, the helicopter alone suit would not be permitted for me to transport on the vessel?

MR. SACUTA:

A. That's correct.

ROIL, Q.C.:

Q. If it was a single standard?

MR. SACUTA:

A. That's correct.

ROIL, Q.C.:

Q. And then I'd have to have an aviation standard one to fly back?

MR. SACUTA:

A. Correct.

ROIL, Q.C.:

Q. My marine one would not work?

MR. SACUTA:

A. Correct.

ROIL, Q.C.:

Q. Okay. So this was what, to just provide additional -

Page 207

MR. SACUTA:

A. Flexibility.

ROIL, Q.C.:

Q. Flexibility.

MR. SACUTA:

A. Flexibility during crew changes.

ROIL, Q.C.:

Q. An expensive flexibility, I take it.

MR. SACUTA:

A. Yes.

ROIL, Q.C.:

Q. Okay.

MR. SACUTA:

A. So as far as the process -

ROIL, Q.C.:

Q. Sorry, just one other thing. There was some - - not some, there's been a lot of talk about the thermal qualities and Mr. Decker, I think, in this evidence indicated that he would have preferred to have the immersion suit because he felt it had higher thermal standards. Do you know anything about the thermal standard issue?

MR. SACUTA:

A. Both comply with the same standard, so they

Page 208

meet the same standard.

ROIL, Q.C.:

Q. So if it's properly fitting -

MR. SACUTA:

A. Yes.

ROIL, Q.C.:

Q. - they should both provide the same amount of thermal capacity?

MR. SACUTA:

A. Yes, that's correct.

ROIL, Q.C.:

Q. To a user.

MR. SACUTA:

A. That's correct. I think the key statement there is if the suit fits properly, yes, that's true, and we'll talk about that a little bit further.

ROIL, Q.C.:

Q. Yeah, okay, thank you.

MR. SACUTA:

A. The selection of the new suit, we did issue an expression of interest in early 2006 and the evaluation included that there would be Transport Canada certification requirements, i.e. the suit design, the weight, the need for

Page 209

a lifejacket, the location of that lifejacket, the durability, thermal protection, et cetera. We wanted to make sure the manufacturer had a quality control processes in place and there was a requirement for the turnaround time to transition to the new suit for the suit implementation. There were four potential suppliers who bid. There was a detailed technical evaluation completed on each of the bidders and Helly Hansen was awarded the -- the E452 suit obtained the highest technical score and Helly Hansen was recommended as the preferred supplier for our new helicopter transportation suits.

ROIL, Q.C.:

Q. Okay. Now often during bidding processes, there are bidders meetings and there's an exchange of information or concerns and that sort of thing. During the stage from the issuing of the expression of interest until when Helly Hansen was chosen to supply the E452, did anybody explain or say to either one of you, I guess, -- and who led this? Was there one company that led or did -

MR. SACUTA:

Page 210

A. It was a joint effort.

ROIL, Q.C.:

Q. It was done by a committee, was it, of -

MR. SACUTA:

A. Yes.

ROIL, Q.C.:

Q. Okay. Was there any expression of concern about the fact that the two standards would create a problem or an issue or a concern for the manufacturer?

MR. SACUTA:

A. I'm not aware of any concern that was raised. I'm not sure if either of the other panel members were.

MR. PRITCHARD:

A. I'm not aware of anything.

MR. VOKEY:

A. No.

ROIL, Q.C.:

Q. I'm not suggesting there is, but I'm just wondering, you know, it's often been said that a camel is a horse designed by a committee, and sort of if somebody felt that marrying the two standards was not a good thing, then I suppose there was -- but would there have been

Page 211

an opportunity for them to say that?

MR. PRITCHARD:

A. Yes.

MR. SACUTA:

A. I'm sure there would have been an opportunity, but I'm not aware that that was raised at any point in this process.

ROIL, Q.C.:

Q. Okay, thank you.

MR. SACUTA:

A. After the contract was awarded, there was an implementation plan put in place. They were -- - Helly Hansen was awarded the contract in May of 2007 and they were to supply approximately 1400 suits to meet the needs of the existing operators and any ad-hoc supply for short term programs. A transition plan was developed as the new suits were manufactured. Helly Hansen worked in parallel with the Marine Institute's east coast training programs, in other words the basic survival training. There was a transition strategy developed to introduce the E452 suit to the offshore workforce and the new suits were introduced on November 1st, 2007. I'd also like to comment, Mr.

Page 212

Commissioner, that although the Marine Institute was not involved in the bidding and selection process, they were informed of the transition plan well in advance of November 1st, 2007.

I know that Helly Hansen was actually here and had a suit during testimony. I'm just going to highlight a couple of the key components of the E452 suit. It does have an integral hood with a zipper that creates a face seal, as opposed to the old suit that had a neck seal assembly. It has a PLB, a personal locator beacon. You can see this -- also the HUEBA, how the HUEBA sits onto the suit. Also included is a splash guard and an integrated carbon dioxide inflated lifejacket is all part of the suit. I wasn't planning to go through it any further because I know that Helly Hansen did testify.

ROIL, Q.C.:

Q. Yes, indeed. You have to wear or have had to wear one of these, I presume, Mr. Sacuta?

MR. SACUTA:

A. Every time I fly offshore I wear one.

ROIL, Q.C.:

Page 213

Q. Yes, exactly. You know, there's been a lot of talk about it now in hindsight and a lot of criticism of it. When it was first introduced to the workforce, was there general acceptance of the concept of a new suit or was that resistant right from the beginning?

MR. SACUTA:

A. I don't think -- I'm not aware of any resistance. Of course, I didn't come back until October of 2007, but I know that we had a communication plan which included developing -- I'm speaking for Hibernia now -- a PowerPoint package which was sent offshore to be used for the JOHS committees. It was also used by each of the individual departments at their department safety meetings. The presentation was also posted on the offshore bulletin board so that all personnel could have access to the whole transition plan and the fact that we were introducing a new suit. I think most people understood that transportation suits don't last forever, that the Mustang suits we'd had in place for a number of years, since initial oil production for Hibernia. It was time for a new suit. So

Page 214

I think most people understand that process.

ROIL, Q.C.:

Q. And the whole issue of the fit, which we now know was a concern or has turned out to be a concern, was there any flags went up to you to say to you right from the beginning, you know, there's problems with this suit because they're not fitting properly?

MR. SACUTA:

A. I think the issues with the suit fitting came after March 12th. We did have, during this transition, during the transition to the new suit, Helly Hansen personnel at Cougar to make sure that everybody put on, had an appropriate sized suit. There may not have been the appropriate focus on the face seal of that suit. I think we've discovered after the fact, based on -- and we'll talk about this a little bit later in the package -- that there were some concerns with making sure that the face seal was proper when you wore your suit, and I think there were also some other issues with personnel that were actually requesting different sizes of suits based on comfort, as opposed to paying attention to the sealing of

Page 215

the face in the face area.

ROIL, Q.C.:

Q. Were you able to choose your own size? When you were fitted, do you recall whether you actually just went in and tried one on and said "no, I want a bigger or smaller one" or was there somebody that helped you choose a size?

MR. SACUTA:

A. There was a Helly Hansen person there that helped me, you know, made sure that the suit seemed to fit properly. On that first flight that I went offshore after I returned, there was a Helly Hansen representative there to check the suit size for me. Although I can say that it would have been easy for me, I think, to say "this suit doesn't fit quite right. Can I have a different suit?" after this transition period, and I think that's one of the issues that came up as part of our follow up after March 12th.

ROIL, Q.C.:

Q. Okay. We'll perhaps get onto that when we get to that slide.

MR. SACUTA:

Page 216

A. Personal locator beacons, all E452 suits are fitted with a personal locator beacon. It's a -- Sea Marshall is the manufacturer. It automatically activates on contact with water. Should you enter the water, it activates. The signal facilitates rescue of personnel on the water surface, but it's important to note that these PLBs are not designed to operate at submerged water depths. They're designed to indicate the location of an individual who's at the surface. Should you be submerged, you will not receive the signal.

ROIL, Q.C.:

Q. Okay. If the vehicle is submerged and a person is in it, how would the vehicle be found?

MR. SACUTA:

A. The helicopter itself has -- also has locator beacons. So you can locate the helicopter itself, and that was done on subsequent follow up to locate the helicopter after March 12th.

ROIL, Q.C.:

Q. Right.

MR. SACUTA:

A. There was a lot of talk early on in the days

Page 217

after the crash that the PLBs did not work on the suits, but Cougar has verified and confirmed that the PLBs functioned properly for those that were at the surface.

ROIL, Q.C.:

Q. Okay. There was also some evidence about the locator beacon being a little different one here than it is in Nova Scotia. Do you have anything to offer on that? Different frequencies or something. I'm not sure if much turns on it, but -

MR. SACUTA:

A. Different frequencies. Yeah, they do have a different PLB being in use in Nova Scotia waters. It is a satellite tracked PLB. There are some differences. One of the differences, it actually requires the individual to activate it, as opposed to automatic activation when it enters the water. So that does raise some concerns for, I think, the operators in the Newfoundland area that if a person is unconscious, he won't be able to activate the beacon itself. So we've decided to stay with the beacon that we have now. We know that eventually we'll have to get another

Page 218

beacon, as these beacons age, and then we'll look at the available technology the next time we go through the process of determining the best PLB for our service.

ROIL, Q.C.:

Q. Right. Okay, that's, I think, all we need to have on personal beacons today.

MR. SACUTA:

A. Okay. Next, helicopter underwater emergency breathing apparatus or the HUEBA. The HUEBA provides the user with an additional supply of breathable air. Depending on the individual, you could get 25 or 30 breaths. It depends on how excited you are. The process has been under way since 2000. The implementation plan was in the final stages as when the helicopter crashed on March 12th. As of October 1st, all personnel travelling to and from offshore via helicopter are required to have both HUEBA training and they're required to wear a HUEBA device on their E452 suit.

As far as the implementation goes, the operators acknowledge that the decision to implement the HUEBA did take a long period of time. Mr. Commissioner, it took too long.

Page 219

The overall process of evaluating an appropriate breathing device and the eventual selection of HUEBA was a very complex process. This included engagement of a CAPP led committee, complete with representatives from the industry. The process also included evaluating both the compressed air and a rebreather device and making the recommendation on the style to be used in the Newfoundland basin. There were associated risks that were reviewed against the following: the operational performance of the units; the training requirements, whether you needed to train under one metre or over one metre of depth; there were medical requirements to consider for both under one metre and over one metre and a medical screening that needed to be complete. Safety was our main concern throughout this process. In 2006, it was determined that the compressed air device, the HUEBA, was the best available technology. It is my understanding that the Newfoundland basin operators are the first civilian use of the HUEBA device.

ROIL, Q.C.:

Page 220

Q. In the what, in the world or -

MR. SACUTA:

A. In the world, my understanding. The military has used the device, but my understanding is we are the first civilian use of the HUEBA. After the HUEBA was selected, the committee had to identify and address the specific medical concerns associated with completing training and needed to determine a mitigation plan to lower the risk to the workforce. We did not want to introduce a new piece of safety related equipment without fully determining the risks and identifying the required mitigation plan. Quite simply, we wanted to do it once and we wanted to do it right.

Based on the length of time it took to implement the HUEBA, CAPP is developing the terms of reference for a review to identify the lessons learned from the assessment, decision making and implementation process. It is anticipated this review will include a final report complete with recommendations for improvement and we expect the target date for completion will be in the second quarter of

Page 221

2010.
ROIL, Q.C.:
Q. Can I take it that you would undertake to provide that document to us once it is complete?
MR. SACUTA:
A. I'll take it with legal counsel, but I would expect we would, yes.
ROIL, Q.C.:
Q. Yeah. My objective here is not to criticize the past, but to make sure that we all learn from what's gone on in the past so that we can avoid -
MR. SACUTA:
A. And that is our desire as well. As I've mentioned, it took too long and we need to do a lessons learned review of that to make sure that it doesn't happen again.
ROIL, Q.C.:
Q. And again, I think if we had access to that, it would be very helpful in our objectives and I'm sure that we can work with your counsel on that.
MR. SACUTA:
A. So the next section is qualifications and

Page 222

training required to work offshore.
ROIL, Q.C.:
Q. Okay. Now I've been cautioned that we should never run over time for various reasons, including the commitment of our broadcasters, so we'll go on for a little bit longer and then when we find a convenient place to stop for our afternoon break, we should.
MR. SACUTA:
A. Okay. You just let me know.
ROIL, Q.C.:
Q. Yeah. I'm the policeman on that and I've been told to watch the clock, so I will.
MR. SACUTA:
A. Okay. All the training which is completed as part of the basic survival training program is tailored to a controlled ditching situation. It's purpose is to provide the individual with the basic requirements to aid in the successful egress from a ditched helicopter. It is not intended to be applicable to a high speed impact or crash situation. During training, personnel are exposed to a level of risk. The desire is to provide an acceptable level of training without introducing an

Page 223

unacceptable level of risk to complete the training. The main benefit of the training is to provide the passenger with an understanding of the steps they must consider in order to prepare for an escape situation. At this time, it is not intended to provide aircraft specific training in all egress situations which may occur.
ROIL, Q.C.:
Q. What does that mean?
MR. SACUTA:
A. That means that the training that we have in Newfoundland, through the Marine Institute, is not aircraft specific. It hasn't been for years, whether it was the Super Puma or now the S-92. The overall training was to provide the individual with the basic steps that he needs to take for a successful egress. It was not to train for the inclusion of the auxiliary fuel tank, for windows the same size as the S-92, for stroking seats. It has been a high level training program.
ROIL, Q.C.:
Q. So the objective, I take it, from the oil companies' concern at least, is not so much

Page 224

fidelity, which I think was a word that we used before, but rather learning the processes and steps that one should go through?
MR. SACUTA:
A. That's correct.
ROIL, Q.C.:
Q. And so whether you had a Super Puma at the airport or a Eurocopter or a -- not the Eurocopter, but if you had a Super Puma or a 61 or a 92 -
MR. SACUTA:
A. Right.
ROIL, Q.C.:
Q. - you were not focused on trying to make the training -
MR. SACUTA:
A. That's correct.
ROIL, Q.C.:
Q. Having learned what you've learned after the incident, is there any -- at this point in time, is there any intention to change that?
MR. SACUTA:
A. We'll certainly discuss that later in the presentation. So if I could defer to a further -- a later section in the

Page 225

presentation?
ROIL, Q.C.:
Q. Absolutely. Excuse me, I just wonder if the vibrating thing in the back of the room could be encouraged to stop. Somebody's got a Blackberry there that's just going and going. Okay, go ahead.
MR. SACUTA:
A. All operators ensure that the training and qualifications of personnel in their operations comply with the requirements of the CAPP training and qualifications guidelines and operators specific requirements for offshore training. The industry, regulators and the training institutions continually review training requirements for offshore workers through the CAPP Training and Qualifications Committee.
ROIL, Q.C.:
Q. Is that the best place for this work to be done, in your view?
MR. SACUTA:
A. In my opinion, the Training and Qualifications Committee is an example of how working with CAPP works. They've put together a very

Page 226

comprehensive document. So I think this is an example where CAPP has effectively facilitated an excellent piece of work.
ROIL, Q.C.:
Q. It has served the industry and the workers well in your view?
MR. SACUTA:
A. In my view, it has, yes.
ROIL, Q.C.:
Q. Okay.
MR. SACUTA:
A. So the Standard Practice for Training and Qualifications of Personnel provides guidance on the appropriate level of training required for the offshore workforce, is a joint committee effort by the operators, the CAODC, which is the Canadian Association of Oilwell Drilling Contractors, CAPP, the regulatory bodies and the training institutions. It outlines the required qualifications and certified safety training for east coast offshore workers, including offshore travel. It outlines the approved training institutions for a course as deemed necessary by the committee. It has been in effect since March

Page 227

1st -- since March of 2001 and it was revised in 2008.
ROIL, Q.C.:
Q. We talked earlier about engagement of the workforce. Is there any level or place where engagement of the workforce happens in the process of setting forth this training and qualifications standard?
MR. SACUTA:
A. I mean, representatives from the operators would include users of the system.
ROIL, Q.C.:
Q. Yes.
MR. SACUTA:
A. So workforce can be anyone who in any way has to travel offshore. So there were people that were -- people that would be required to complete the complaining (sic) that were part of the committees. They might not necessarily have been the offshore workforce, but they were people that would have had to have gone through the training in order for them to travel offshore, like some of our safety health and environmental professionals.
ROIL, Q.C.:

Page 228

Q. Yeah, I think the concern would be that, you know, you don't get the opportunity to have somebody who has actually travelled. So are you saying to me that there is an opportunity there for at least some of those representatives to be people who have actually travelled?
MR. SACUTA:
A. Well, I say a number of those representatives do travel offshore with a regular frequency.
ROIL, Q.C.:
Q. Okay. This might be the place where we should take our break for the afternoon, Mr. Commissioner.
COMMISSIONER:
Q. Okay.
(BREAK)
ROIL, Q.C.:
Q. Mr. Sacuta when you're ready, I think we're at slide No. 84?
MR. SACUTA:
A. That's correct. The offshore work site in Newfoundland and Labrador area existed in a remote and potentially hostile environment. Adverse weather may cause delays in medical

Page 229

evacuation and convert a minor medical problem into a major emergency. As such, medical assessments are conducted for all personnel prior to their travel to an offshore work site. The objectives of a medical assessment are to ensure that designated offshore personnel are medically fit to work safely at an isolated location with job accommodation where possible, to anticipate and where possible prevent the avoidable occurrence of ill health offshore which would place the individual, his or her colleagues and the emergency rescue service at risk, to provide occupational health surveillance; that is monitoring for specific job demands and to meet any regulatory requirements for hazard monitoring. Mr. Commissioner, the operators have contracted Atlantic Offshore Medical Services to complete work or medical assessments and determine fitness to work offshore. AOMS is a specialized medical service provider who is familiar with the expectations of working in an offshore environment and all three of us use Atlantic Offshore Medical Services, as in our medical

Page 230

assessment process.

ROIL, Q.C.:

Q. Mr. Sacuta, how many--you mentioned earlier or one of the other panellists did, talked about doing medical evacuations from the various facilities, approximately how many of those are done a year? Is it two or twenty or 200, we have no idea, so -

MR. SACUTA:

A. I would say somewhere between 2 and 20 in a year, speaking for Hibernia.

ROIL, Q.C.:

Q. Each of you have approximately the same experience?

MR. PRITCHARD:

A. Yes, somewhat less for us, Hibernia some doing it, they're out more, we have a maximum of 90 POB.

ROIL, Q.C.:

Q. Yes, okay.

MR. VOKEY:

A. For Suncore, it would definitely be less than one a month.

ROIL, Q.C.:

Q. Little less than one a month, okay. And so

Page 231

this is a person who is on board a facility who needs to be evacuated because of their medical condition at that time?

MR. SACUTA:

A. Yes, we do have a nurse on board our facilities to provide medical services, they are in direct consultation with AOMS on shore and in that review, they may decide that it is best suited to medivac the individual if the medical service provided offshore isn't sufficient.

ROIL, Q.C.:

Q. Right. You've indicated that the primary purpose of AOMS is to determine whether the person is fit medically to work offshore. Have you ever in, again the three of your experience, come across a person who was medically unfit to travel by helicopter? I don't know if you see the subtle difference there, I don't know whether it would be a higher or a lower or a different challenge, but I'm just wondering have you ever had a situation where a person was able to work but not able to travel by helicopter for medical reasons?

Page 232

MR. SACUTA:

A. There are examples, for example if I was to break my wrist and had a cast on, I certainly wouldn't be able to wear the helicopter transportation suit, I wouldn't be able to ensure a proper seal. So in those situations, somebody would be determined medically unfit for offshore work and we would accommodate the individual or his employer would make every effort to accommodate as per the regulations in terms of the duty to accommodate. Medical frequency is dependant on the age of a worker. As you get older, the medical requirements become more frequent.

ROIL, Q.C.:

Q. That's not good news for some of us.

MR. SACUTA:

A. Yes, I am intimately familiar with that. For anybody less than 39 years old, it's every three years, between 40 and 49, it's every two years; and once you reach the big 50, it's every year. First time offshore workers are required to complete the five-day basic survival training program. This must be renewed every three years. The renewal is

Page 233

completed using a basic survival training recurrent, BSTR program which is a two-day course. In situations where the full BST is not justified, a one-day offshore survival introduction is allowed. This provides for six days offshore during a one-year period and I believe Mr. Commissioner, that's what you completed when you travelled offshore to the Hibernia platform. It should be noted that BST equivalent certificates issued by OPITO and OLF who are North Sea standards, will be considered valid to travel to offshore facilities on the east coast, although they may be valid for four years in their own jurisdiction, they will only be recognized for three years in eastern Canada.

ROIL, Q.C.:

Q. And I presume that you're aware that there's a debate amongst workers as to whether or not this training should be done more often or less often?

MR. SACUTA:

A. Yes, I know that during my time working offshore as the offshore installation manager, I was involved in numerous discussions, should

Page 234

it be more frequent, should it be less frequent, should we have the sea day, should we not have the sea day. There was a lot of issues that were brought up over time and I think that March 12th has refocussed everybody about the importance of the basic survival training program.

ROIL, Q.C.:

Q. Okay, but at this point in time, to your knowledge there has been no change in these protocols or these timeframes?

MR. SACUTA:

A. That's correct. There are additional training requirements related to helicopter operations and safety. We talked earlier about helicopter safety briefings which are completed both on shore and offshore prior to getting on the helicopter for all personnel. There is regulatory awareness training that's completed; transportation of dangerous goods for any situation where we may be transporting dangerous goods in the cargo hold of the helicopter; work place hazard materials information systems or WHMIS. Anyone who fulfils the role of the helicopter landing

Page 235

officer has detailed training to be completed, as well as anyone who works on the helideck teams and any of our offshore fire teams also have detailed training which must be completed to them fulfilling those roles.

ROIL, Q.C.:

Q. Okay, we've talked a bit about the helicopter landing officer before and about the offshore fire team, what does the helideck team do?

MR. SACUTA:

A. Helideck teams would be the people that would remove baggage from the helicopter baggage compartment, put baggage in, put baggage out. Sometimes, depending on circumstances they may accompany individuals to the edge of the helicopter door if needed, so basically they work on the helideck, mainly to get baggage and cargo on and off the compartment itself.

ROIL, Q.C.:

Q. So they're associated with the loading and unloading in the offshore.

MR. SACUTA:

A. And they also are responsible for the refuelling of the helicopter.

ROIL, Q.C.:

Page 236

Q. Okay.

MR. SACUTA:

A. So operators and their respective contractors are responsible for maintaining employee qualifications and certification records and compliance with the CAPP training and qualification standard practice. The Board does monitor operator compliance with those standards. As Cougar represents the final gateway to offshore, operators have worked with Cougar to implement electronic personal tracking systems which maintain records of all mandatory training and medical certifications and their expiry dates, to ensure that all personnel travelling offshore are either eligible to travel offshore or have the appropriate exemption. And I'll talk about exemptions on my next slide.

ROIL, Q.C.:

Q. Okay, before we leave, electronic personnel tracking systems tracks the information about these people, not the people themselves, I take it?

MR. SACUTA:

A. That's correct. Under Chapter 7 of the

Page 237

Standard Practice for Training and Qualifications of Personnel, which is the exemption procedures, because of the intermittent nature of employment, course scheduling and other factors, it may not always be possible for an individual to fulfil all the qualification and training requirements set out in this document prior to travelling offshore. Exemptions may be granted on a case by case basis with the approval of the operator senior offshore representative and the offshore installation manager. As identified in Mr. Decker's testimony, he did travel offshore on March 12th under one of these exemptions because he had not completed the sea day component of his BSTR program. The Board monitors all exemptions and will notify the operator of any questions or concerns and reserves the right to deny any exemption or to issue an order to an operator relating to exemptions if the process is abused. Every exemption that we approve goes to the Board, the Board sees them all.

ROIL, Q.C.:

Page 238

Q. Have you ever had a situation where the Board has said we are not prepared to allow this exemption to continue?

MR. SACUTA:

A. Speaking for Hibernia, I am not aware of any situation where that's occurred.

MR. PRITCHARD:

A. No, nothing from Husky either.

MR. VOKEY:

A. None that I am aware of from Suncore.

MR. SACUTA:

A. We have been questioned quite often about the specific exemptions.

ROIL, Q.C.:

Q. What about the nature of the questions as to why it's gone on so long or -

MR. SACUTA:

A. Circumstances around why the individual wasn't able to complete the training. In some cases they've asked, you know, what are you plans for follow up, which is normally included on the exemption form, there's a section around making sure that you identify what the next steps will be so that the person doesn't have to continue to fly offshore on exemption.

Page 239

ROIL, Q.C.:

Q. And how long can an exemption apply? Is it two days, two weeks, two years, two months?

MR. SACUTA:

A. Each time an individual travels offshore, you would have to fill a new exemption, but I think one of the expectations of the Board is that you will close the need for that exemption as soon as you possibly can.

ROIL, Q.C.:

Q. So each time the person wants to travel, if there's a reason for an exemption, it has to be granted for that travel?

MR. SACUTA:

A. Each time they travel, that's correct.

ROIL, Q.C.:

Q. Thank you.

MR. SACUTA:

A. Although I expect that Cougar may provide a more detailed summary of their check-in process, we've prepared a summary slide based on our knowledge and I'm just going to step you though it because I know the Commissioner did have some questions around some of the steps in the sequence offshore, so -

Page 240

ROIL, Q.C.:

Q. Yeah, and I take it again from earlier evidence that a person who is ultimately going to travel on a vessel would also go through the Cougar facility first?

MR. SACUTA:

A. Absolutely.

ROIL, Q.C.:

Q. Yes.

MR. SACUTA:

A. Cougar Helicopters has a standard check-in process which is utilized by all the operators. Individuals arrive at the heliport at least one hour prior to their schedule departure. During their check-in process, identification and training is verified. Any personnel who have gaps in the required training are not checked in unless the required exemptions and approvals are in place. Individuals and baggage weights are measured, medications are collected and sealed for transport. They are delivered to the nurse offshore and he or she distributes them to the individual when they get on board. It's a twofold purpose: we want the nurse to

Page 241

be aware of any medications that people are taking when they get offshore in case he has to treat the individual and the individual is unconscious, he needs to know what medications they're on. Passengers then travel through a security check which includes a baggage search and an x-ray inspection, as well as all individuals pass through a metal detector. Personnel are then issued a flight suit. The flight suit includes the personal locator beacon and a HUEBA. Their individual size is documented in the Cougar flight suit database. If an employee wishes to use another size, they must be refitted by a qualified Cougar personnel. Helly Hansen has trained Cougar personnel in the proper suit fitting process, so if an individual shows up and says, you know, I ate a lot of turkey over Christmas and I gained a new pounds, I'd like a new suit, he has to be refitted as part of that process.

ROIL, Q.C.:

Q. So the individual cannot now change his suit size.

MR. SACUTA:

A. The individuals don't choose their suit size.

Page 242

All personnel are shown a video briefing. Any other information which may be relevant at the time may also be discussed during this briefing situation. As an example, during the period that we had the right to refuses being analyzed by the Board, all the boarding passengers were informed that there was a right to refuse in process, just so that they were aware that that was being followed through through the C-NLOPB. The flight suit is donned and all passengers must demonstrate the ability to fully zip up their suit while in a seated position. Air muffs and air plugs are donned and personnel are escorted to the helicopter for boarding. Individuals put on their seatbelt and a Cougar representative checks the seatbelt to ensure it is on properly, it does not interfere with the HUEBA or any other component of the flight suit. So each individual passenger will be checked by a Cougar person to make sure his seatbelt is positioned correctly and it is not interfering with any of the components of the flight suit itself. From an offshore check-in perspective, there may be small differences in

Page 243

the offshore check-in process utilized by the three operators. The summary on this slide is a typical departure process. Individuals arrive at the Heli-Admin approximately one hour prior to the scheduled departure. Each facility has a designated helicopter admin area for departing passengers.

ROIL, Q.C.:

Q. And that's the expression "Heli-Admin" referred to earlier, Helly Hansen referred to it, it doesn't have to do with Helly from Helly Hansen.

MR. SACUTA:

A. No, it's helicopter administration.

ROIL, Q.C.:

Q. Helicopter administration, okay.

MR. SACUTA:

A. T cards, which are the cards that individuals use when they go offshore to say they're there and put them in their slot when they first arrive and they're used during emergency situations so we can account for all personnel are returned and individuals and baggage weights are confirmed. Passengers normally bringing their flight suit from their room to

Page 244

Heli-Admin and are issued a PLB and a HUEBA which they fit to their suit. All personnel are shown a video briefing. Any other information which may be relevant at the time may also be discussed during that briefing. The flight suit is donned and all passengers must once again demonstrate the ability to fully zip up their suit while in a seated position. The helicopter arrives at the facility and the arriving passengers disembark. If required, the helicopter is refuelled. The helicopter is not normally refuelled with passengers in the passenger cabin. Air muffs and air plugs are donned and personnel are escorted to the helicopter for boarding. An individual puts on his seatbelt and a heli-deck team member checks the seatbelt to ensure it is on properly and does not interfere with the HUEBA or any other component of the flight suit. You will notice, Mr. Commissioner, that there is no formal security check implemented offshore. Each departing passenger signs a departure sheet which clearly articulates expectations for luggage. Furthermore, the platform is

Page 245

considered to be a secure environment, we would equate it to the interflight departure area at an airport where a security check is not required unless you leave the secure area, that's why there's no security check offshore.

ROIL, Q.C.:

Q. Now I've heard it said that some workers are concerned that by not going through a security check then, that there is less interest in or focus on their personal security on the flight back.

MR. SACUTA:

A. All I can say is that the platform is a secured site and each individual does sign a form saying that, you know, they're not taking any inappropriate material on the flight, returning flight to town, so there is some personal accountability for your own security as well.

ROIL, Q.C.:

Q. Okay, thank you. And I think we now move on to Mr. Pritchard again, now we move into operator emergency preparedness.

MR. PRITCHARD:

A. That's correct. Operators have recognized a

Page 246

great importance of emergency preparedness and strive to identify the critical scenarios and prepare all necessary actions to be taken to protect people, the environment and the property in event of an emergency or security threat. The emergency response plan has an understanding of the resources available and potential escalation of events, what mitigations are available and what control would control the situations. Typically perhaps in an evacuation and the use of helicopters would be identified in that emergency response plan. The plans also reference organizational structure and training recruitments. The emergency response plan to continuously update it, both at a high level document in terms of the overall plan, but also from feedback from the training exercises that occur offshore. So on a weekly basis we have emergency response type training exercises and feedback from that just continues to improve our courses and procedures in the event of emergencies.

ROIL, Q.C.:

Q. Now these, again, we don't have those actual

Page 247

documents now, those will come out in the individual presentations.

MR. PRITCHARD:

A. We can certainly have that feedback type forms from training on board.

ROIL, Q.C.:

Q. I was speaking about the actual emergency response plans, each company--it's an individual plan, is it?

MR. PRITCHARD:

A. Yes.

ROIL, Q.C.:

Q. Yes, that's right and we'll deal with the details of them in your original or your individual presentations.

MR. PRITCHARD:

A. Well, this slide just shows a typical day of the resources available in terms of the operator's resources of vessels and helicopters. There may be other merchant vessels, coast guards or other aircraft in the area. Cougar's blue sky tracking system gives details of the helicopter locations and the AIS system, which is an automated information system, gives details of the vessels. This

Page 248

gives us -

ROIL, Q.C.:

Q. So the vessels and the helicopters can be plotted for a precise location at any time?

MR. PRITCHARD:

A. So we can see them on the blue sky tracking system and on the automated information system, correct.

ROIL, Q.C.:

Q. Who maintains those systems?

MR. PRITCHARD:

A. Certainly Cougar maintain the blue sky systems and I brought a little bit of information on the automated information system, so all merchant vessels over 300 tonnes have this system, it gives information regarding the vessel's identification number, its direction and heading and speed. So that's a requirement of vessels over 300 tonnes, some of them actually use GPS and satellite to transfer the information, other more coastal vessels would use VHF.

ROIL, Q.C.:

Q. Right.

MR. PRITCHARD:

Page 249

A. So the operators contract Cougar to supply an operational service of transportation to and from the offshore and also maintain the standby helicopter for SAR, the first response duties on a 24-hour 7-day-a-week basis. We've discussed a little bit earlier in the testimony about the posture for the SAR duty helicopter is maintained by ensuring one of the three operational helicopters is physically on the ground in a serviceable condition for that SAR service.

ROIL, Q.C.:

Q. Okay. Do I take it that sometime ago, and I don't think this is tied or I don't know if it's tied to the March the 12th incident, but there was some additional flexibility that you were allowed to have with respect to that third particular piece of equipment?

MR. PRITCHARD:

A. Yes, we utilized -- as the helicopters -- before March the 12th, or return to service rather, the inbound helicopter, when it was 30 minutes from St. John's, we were allowing the outward bound to be dispatched, on the understanding that 30 minutes running time for

Page 250

the one helicopter, if a SAR requirement was required, we could actually gear up within that final 30 minutes to be wheels up within one hour to get that aircraft outbound.

ROIL, Q.C.:

Q. Okay. So the expectation was even though it was in the air, it would be able to get up in the one hour?

MR. PRITCHARD:

A. That's correct.

ROIL, Q.C.:

Q. Okay.

MR. PRITCHARD:

A. So now we don't utilize that. We've changed our scheduling such that we now operate a schedule one hour earlier in the daylight time. So we start flying operations now at 7:00 in the morning to gain daylight hours and we're allowing ourselves now to have that helicopter dedicated on the ground, rather than using that 30-minute running time. So it is a change since March the 12th.

In alignment with the regulations and described in detail in the safety plan guidelines, the SAR helicopter has certain

Page 251

specialist SAR equipment and trained personnel. Another little bit of detail on that on the next slide. The SAR helicopter is available all year round, 24 hours a day, with a wheels up maximum time of one hour. The SAR S-92 is fully equipped with the necessary search and rescue equipment, such as hoists, life rafts, emergency locator transmitters and receivers. There is now a dedicated group of SAR technicians or SAR techs as they're described and SAR pilots. So since -- this is another change since March the 12th. We've got a more dedicated group of SAR specialists and that gives us the ability to train a more concentrated group with the time allocated for the training side of it, of SAR duties.

ROIL, Q.C.:

Q. So the pilots that are responsible to conduct SAR missions or first response missions and the technicians that accompany them are now a dedicated group rather than what, the entire workforce?

MR. PRITCHARD:

A. I am unsure if it was the entire workforce, but certainly when you have a number of hours

Page 252

for training, spreading those hours too thin over too many pilots would mean that the pilots weren't getting perhaps the best training and now we're looking for them to get more dedicated training in the SAR duties.

ROIL, Q.C.:

Q. Actually, I suspect we should be asking Cougar for the particular details on that, but your understanding is that there is a -

MR. PRITCHARD:

A. That, in essence, is where we've -

ROIL, Q.C.:

Q. - an increased focus.

MR. PRITCHARD:

A. - moved to, yes. So I've mentioned response efforts are also supported by the Blue Sky Tracking System and the automated information system as previously described.

ROIL, Q.C.:

Q. Okay. Now before you move on, there's a question that I have that arises from the safety planning guideline, which says that it is expected that a helicopter would be maintained on standby and dedicated to search and rescue on a 24-hour per day basis.

Page 253

Nowhere in there or anywhere else that I can see is there an indication that the one-hour wheels up requirement. How did that get established? By whom? And what does it mean?

MR. PRITCHARD:

A. In our safety plan, we commit to a one-hour wheels up, and that's how we contract Cougar, and through the submission of our safety plan to the Board is how we established that one-hour wheels up commitment.

ROIL, Q.C.:

Q. I'm sorry, the last part? How was the one hour chosen?

MR. PRITCHARD:

A. It was chosen by the operators to put in the safety plan.

ROIL, Q.C.:

Q. Yes.

MR. PRITCHARD:

A. And the safety plan is acknowledged by the Board and that we give our one-hour commitment wheels up to the Board and that is accepted by the Board.

ROIL, Q.C.:

Q. And one-hour wheels up means what? From the

Page 254

moment that an incident is reported? How is that time measured? That's what I'm curious as to where the hour is.

MR. PRITCHARD:

A. The time would be measured from the request for a SAR requirement to the point of wheels up and on the mission.

ROIL, Q.C.:

Q. Okay. So incident happens. At that point in time, the burden is on somebody to say to Cougar, "we need to have a helicopter in a SAR mode now" and the one hour is measured from then?

MR. PRITCHARD:

A. Correct. It may be response to a Cougar helicopter. It could also be a response to the OIM offshore saying that he has a situation with people in the water.

ROIL, Q.C.:

Q. Yes, exactly.

MR. PRITCHARD:

A. So not just necessarily Cougar, but, you know, any SAR mission.

ROIL, Q.C.:

Q. Yeah, okay. I think I understand. I just

Page 255

wanted to make sure when the one hour was measured from. So it's not from the incident. It's from when Cougar are notified that there has been -

MR. PRITCHARD:

A. From the request.

ROIL, Q.C.:

Q. Yes, okay. And the equipment, I know that we've seen it in other places. There's a list of things like a hoist and, you know, a basket and other things. Who determines what the equipment is? Is that dictated by the C-NLOPB or do the companies, in consultation with somebody, determine what should be in the equipment list?

MR. PRITCHARD:

A. We find that in the guidelines from the C-NLOPB. There's a dedicated list of equipment. I think slide 94, guidelines 71.2 starts to go into some of the actual requirements.

ROIL, Q.C.:

Q. Okay. So, yeah, those are generic things. Not generic, but with a hoist. So there's no particular specification on the hoist, but it at least has to be capable of lifting -

Page 256

MR. PRITCHARD:

A. Well, it says that it's got to be capable of lifting one or multiple people, so a dual tandem type of hoist.

ROIL, Q.C.:

Q. Okay.

MR. PRITCHARD:

A. Proceed?

ROIL, Q.C.:

Q. Yes. Thank you, sir.

MR. PRITCHARD:

A. Canada is party to the International Convention on Marine Search and Rescue and maintains responsibility for the preservation of search and rescue services based in its geographical profile. I have a map a little bit later which will outline the area of responsibility.

ROIL, Q.C.:

Q. Yes. Just so that we're clear now, I take it that you're going to explain to us what the operators understand that SAR, the Government SAR does in the offshore?

MR. PRITCHARD:

A. This is still the interface of DND and the

Page 257

operators. I'll move on a little bit later in the presentation here to what we perceive to be DND's responsibilities.

ROIL, Q.C.:

Q. Okay. So this is at the operator level.

MR. PRITCHARD:

A. This is still the operator DND, I'm moving into that interface.

ROIL, Q.C.:

Q. Okay.

MR. PRITCHARD:

A. So it's more than likely that the operators dedicated SAR helicopter will be the first response to an offshore emergency. However, it should be noted that DND has the authority to command vessels or aircraft of opportunity to help in a SAR mission, as was the case on March the 12th when the PAL flight was the first flight over, and that was just by opportune that that flight was going over.

ROIL, Q.C.:

Q. Okay. So you're saying that that flight was directed by DND?

MR. PRITCHARD:

A. No, I'm not saying that. That just so

Page 258

happened. I'm saying in the normal course of events, we have a SAR helicopter available for response. As it happened on March the 12th, the PAL flight was in the air and was first on the scene.

ROIL, Q.C.:

Q. Okay.

MR. PRITCHARD:

A. The practical response with the SAR technician was from the Cougar SAR helicopter. DND will control the Cougar helicopter during an offshore SAR mission, or once launched, JRCC, Joint Rescue Coordination Centre, is informed and would control the mission from thereafter. DND's assets, a single purpose full-time search and rescue specialists with significant training. So DND have dedicated resources and all the specialist equipment that facilitates successful search and rescue missions. They have a high level of training and have completed many successful missions. In the event of an event escalating, emergency DND can call upon resources from Federal or others, and I'll detail in what we consider to be the responsibilities and resources of DND

Page 259

in the next section. So we'll leave it at that.

So DND has established joint coordination centres in various regions of Canada, which are responsible for the coordination of aeronautical and marine SAR operations within a prescribed region. Upon the initial notification of any event occurring offshore, the emergency response procedure calls for the JRCC to be informed. This is on the basis that early notification is good rather than to gear up when it is realized that the actual requirement is required. In other words, it's easy to stand down a resource than gear it up for when it's -- we know it's needed. Whenever the standby helicopter is mobilized, which may be for a medical evacuation or non-occupational, for instance, we've heard we used a helicopter for that, then JRCC are notified. So they then understand that we are utilizing that SAR resource for a medical repatriation perhaps.

If there's an emergency requiring specific search and rescue, then JRCC will assume command of the situation, including

Page 260

deployment of the dedicated SAR first response helicopters, as well as any of the other resources, such as the other S-92 aircraft that are available in St. John's, and of course, any of the DND resources, such as the Cormorants and the Hercules. So they would have a vast array of resources available for DND, as I say including the first response S-92 out of St. John's and thereafter, any other of the helicopters that would be either coming back or be on the ground at that time.

So I'll now move into what we consider as the responsibilities of DND, recognizing that the Department of National Defence will be coming and testifying as to what they actually do. This is our understanding of what DND do for us.

ROIL, Q.C.:

Q. Before you move there, Mr. Pritchard, let me just put to you a comment, I guess, that came from Mr. Decker that I'd like you to reflect on. In his evidence, I recall him saying that he had expected to see a search and rescue, an orange or a yellow or whatever colour helicopter.

Page 261

MR. PRITCHARD:
A. Yeah.
ROIL, Q.C.:
Q. And he saw a grey and blue Cougar one. If the operator is normally first response, if the Cougar helicopter is normally first response, how can that message get out to the workforce? Because it appears that the expectation was something different than that.
MR. PRITCHARD:
A. I'm not sure. It's kind of speculation, how we can get that message out, because if we do have repatriations or first response, it is the Cougar helicopter that we use, in general terms.
ROIL, Q.C.:
Q. So you're saying that you can't be certain on every day and every moment it will be a Cougar first response. It depends on what's happening with the other.
MR. PRITCHARD:
A. I can't really speculate as to how we can do that, but you know, what circumstances would the yellow helicopter come along? They would have to be almost in the vicinity, perhaps on

Page 262

a training mission 60 miles off, when an incident occurs for them to be first on the scene. We are the closest by nature in St. John's, rather than Gander.
MR. SACUTA:
A. If I could add, Mr. Roil, I think one of the things that all the operators have done is to make sure that we clarify with our workforce what our commitments are from a first response search and rescue capability. So I think we've recently all had an update provided to the workforce to make sure that there's no confusion about what we supply from a first response search and rescue capability. So that was done just before Christmas.
ROIL, Q.C.:
Q. So I take it that that might have been another small lessons learned from that incident, is that informing the workforce as to what to expect is a part of being an informed worker and a more comfortable worker.
MR. SACUTA:
A. I mean, I think our workforce has been told in the past what our commitments are, but it was an opportunity for us to remind them what our

Page 263

commitments are.
ROIL, Q.C.:
Q. Okay. Okay, thank you.
MR. PRITCHARD:
A. So we know Canada is obliged by International Convention to maintain the provision of SAR coverage in a geographical location and this comes with an agreement of the Minister of National Defence, supported by the National Search and Rescue Secretariat, of which there is a number of components there. So the Transport Canada, RCMP, Coast Guard, Parks Canada, MET Services Canada and Environment Canada are all part of that National Search and Rescue Secretariat as a support service and group there.

Marine Aeronautical SAR is carried out principally by DND and the Coast Guard. DND has overall responsibility for the coordination and operation of SAR missions. DND has established Joint Rescue Coordination Centres in various regions of Canada, which are responsible for the coordinations of a SAR operation within that region, and for our region, Halifax is the JRCC.

Page 264

ROIL, Q.C.:
Q. So a JRCC exists in Halifax and covers the region that we are in?
MR. PRITCHARD:
A. Correct.
ROIL, Q.C.:
Q. Yes, okay, and that's Joint Rescue -
MR. PRITCHARD:
A. Coordination Centre.
ROIL, Q.C.:
Q. - Coordination Centre, where comes the acronym JRCC.
MR. PRITCHARD:
A. Yeah.
ROIL, Q.C.:
Q. Okay, thank you.
MR. PRITCHARD:
A. Some regions also have marine rescue subcentres, or MRSC, which is manned by the Coast Guard and the centre in St. John's is actually one of these marine subcentres, and part of our emergency response training actually takes place at the Coast Guard Centre in St. John's, to give us an understanding of the overall response and the management and

Page 265

coordinations of SAR events.

So a JRCC has direct tasking authority over primary SAR resources, such as the DND aircraft, the fixed wing and the helicopters and the Coast Guard vessels. The secondary Federal resources, such as the Navy vessels, can also be deployed. Under the Canadian Shipping Act, JRCC and the Coast Guard have the authority to direct all of the civilian vessels and aircraft to render assistance to a nearby vessel or aircraft in distress. So there's a level of authority there that DND and the Coast Guard have over civilian facilities. Additionally, both JRCC and Coast Guard can (unintelligible) aviation and marine civilian resources to assist with a SAR operation, such as the Canadian Coast Guard Auxiliary.

During a mission, it is likely DND will set up command and communications from a fixed wing plane, such as a Hercules. This allows distinct individual resources to concentrate on a designated task and allow the overhead aircraft to keep the full picture and keep with the communications aspects.

Page 266

So this slide now is the map of the JRCC's region. So the JRCC in Halifax has the responsibility for the area outlined in red. This is a vast area of some 4.7 million square kilometres, 29,000 kilometres of coast line and 80 percent of its responsibilities lies over water. The Grand Banks is part of this vast area and like any other user of the ocean within this geographical boundary, we look to DND to utilize our resources of Cougar SAR first response and any other Cougar helicopters and our fleet of vessels, along with the DND resources of helicopters and fixed wing aircraft, Coast Guard vessels, Navy vessels, et cetera, and their authority to command other resources in the area in support of a well coordinated search and rescue mission.

So the next slide is the level of resources and response times. So JRCC have two distinct response times. Monday to Friday, 8 a.m. until 4 p.m., they are 30 minute wheels up as a maximum. After these hours and at weekend, they are at two hours wheels up maximum. The resources at Gander

Page 267

are Cormorants and at Greenwood in Halifax, there are four Cormorants and one Hercules. The Cougar resources, we have a one-hour wheels up on a continuous basis 365 days a year and we have three S-92s currently available, one of course which is on permanent SAR duty. There are occasions when other airframes are available, such as the ConocoPhillips airframe, which is the other S-92 that's in the picture now, so that gives us four. I prescribed three here from the three operators, but now, I guess, we have four.

ROIL, Q.C.:

Q. And I take it that the supply and support vessels that you operate would also be resources that could be and would be called upon in the event of an emergency?

MR. PRITCHARD:

A. Absolutely. All our resources and the DND have the authority to command those other merchant vessels and other aircraft, civilian aircraft.

On March the 12th, Cougar 491 was bound for Sea Rose and Hibernia Platform with 16 passengers and two pilots when it crashed into

Page 268

the sea. All operators mobilized their respective emergency response teams and all assistance was offered between the operators in respect of both physical resources and human resources. I very much appreciated the response by DND and was only too pleased to have Major Dennis McQuire taking an active role in St. John's while his coordination centre in Halifax worked its (unintelligible).

Operators will discuss in detail their own emergency response in the next testimony in the coming weeks. After this tragic accident has happened and it was discovered there had been a ball failure in the oil filter housing, all S-92s worldwide were grounded, and that will lead us into the discussion by Mr. Vokey tomorrow on the Helicopter Operations Task Force which was raised as post March the 12th.

ROIL, Q.C.:

Q. Commissioner, I had indicated to the witnesses just after lunch that we would take the evidence to this point today and that I would prefer to leave all the dealings with the Helicopter Operations Task Force for the

Page 269

morning. That's a separate and another document. It is a document that we have made some minor changes to in the past 24 hours and I wanted to take the time now to have a meeting with legal counsel for all of the parties to simply alert them to the changes, why they were made and then we would take this on tomorrow. We're pretty much, in terms of progress, going at the rate that I had hoped and expected and we will certainly -- although there's a significant amount of material there, I think we will have it easily covered by the end of the morning, and we could move into the examination by other counsel in the afternoon tomorrow.

COMMISSIONER:

Q. All right then. Well, we'll adjourn now and you can go into this other process that you have described.

ROIL, Q.C.:

Q. Yeah, I'd simply ask other counsel, just the legal counsel, to remain and we'll have a meeting here.

COMMISSIONER:

Q. Yes. Will counsel remain for a discussion

Page 270

with Mr. Roil after we disperse? Okay, thank you.

UPON CONCLUSION AT 4:15 P.M.

Page 271

CERTIFICATE

We, the undersigned, do hereby certify that the foregoing is a true and correct transcript of a hearing heard on the 11th day of January, 2010 at Tara Place, 31 Peet Street, Suite 213, St. John's Newfoundland and Labrador and was transcribed by us to the best of our ability by means of a sound apparatus.

Dated at St. John's, NL this 11th day of January, 2010

Cindy Sooley
Discoveries Unlimited Inc.

Judy Moss
Discoveries Unlimited Inc.

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