COOPERATIVE AGREEMENT

No. XXXXXXXXX

BETWEEN

XXXXXXXXX (OIL AND GAS COMPANY)

AND

THE BUREAU OF TRANSPORTATION STATISTICS

OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY

U.S. DEPARTMENT OF TRANSPORTATION

MONTH DD, YYYY

#### **PARTIES**

This agreement is made on the date of execution by and between XXXXXXXXXX (OIL AND GAS COMPANY), hereinafter referred to as XXXX, and the U.S. Department of Transportation, Office of the Assistant Secretary for Research and Technology, Bureau of Transportation Statistics, hereinafter referred to as BTS.

#### **PURPOSE**

The purpose of this Cooperative Agreement (CA) is to gain full agreement between XXXX and BTS for the terms of XXXX’s participation in SafeOCS. SafeOCS, developed and operated by BTS, is a data collection program for safety-related events that occur in offshore oil and gas operations. SafeOCS gathers confidential data that would otherwise not be included in safety-related reports. On a voluntary basis, XXXX agrees to submit confidential data on safety-related events that have been collected by the company from their oil and gas operations to BTS for statistical purposes. This data collection for the sole purpose of contributing to the industry-wide data repository of safety-related information.

The information XXXX provides will be used for statistical purposes only. In accordance with the Confidential Information Protection provisions of Title V, Subtitle A, Public Law 107-347, 49 U.S.C. § 6307, and other applicable Federal laws, XXXX’s information will be kept confidential and will not be disclosed in identifiable form to anyone other than employees or agents. By law, every BTS employee as well as every agent has taken an oath and is subject to a jail term of up to 5 years, a fine of up to $250,000, or both if he or she willfully discloses ANY identifiable information about XXXX.

1. **AUTHORITY**

On July 6, 2012, President Obama signed the Moving Ahead for Progress in the 21st Century Act (MAP-21) (Public Law 112-141), which amended Title 49 U.S.C. by adding a new chapter (Chapter 53) for BTS. § 6306 authorizes the BTS Director to enter into agreements with Federal, State, local, or private agencies for the purposes of data collection and analysis. This authorization makes sure that all statistical collection, analysis, and dissemination of information for transportation and other affected industries will be carried out in a coordinated manner.

According to § 6306, the BTS Director may:

*"(1) use the services, equipment, records, personnel, information, and facilities of other Federal agencies, or State, local, and private agencies and instrumentalities, subject to the conditions that the applicable agency or instrumentality consents to that use and with or without reimbursement for such use;*

*"(2) enter into agreements with the agencies and instrumentalities described in paragraph (1) for the purposes of data collection and analysis;*

*"(3) confer and cooperate with foreign governments, international organizations, and State, municipal, and other local agencies;*

*"(4) request such information, data, and reports from any Federal agency as the Director determines necessary to carry out this chapter;*

*"(5) encourage replication, coordination, and sharing of information among transportation agencies regarding information systems, information policy, and data; and*

*"(6) confer and cooperate with Federal statistical agencies as the Director determines necessary to carry out this chapter, including by entering into cooperative data sharing agreements in conformity with all laws and regulations applicable to the disclosure and use of data.*

1. BACKGROUND

In the offshore Oil and Gas Exploration and Production environment on the Outer Continental Shelf (OCS), there are a relatively small number of incidents from which to learn about risks and gaps in risk analysis.

It is difficult to separate transportation-related activities from other activities in operations on the OCS because transportation can play both a direct and indirect role in these operations. Therefore, incidents or unsafe events, whether or not they are directly transportation-related, should be evaluated as a whole. Otherwise, potentially relevant patterns may be overlooked.

Risk management's purpose is to identify potential problems before they occur so that mitigation and risk reduction activities can be planned and invoked as needed to address adverse impacts over the lifecycle of the operations. The occurrence of accidents and safety incidents can potentially be prevented and their impacts can be reduced by analyzing precursor information, near miss information, and other safety data. Nearly all operational accidents and safety incidents are preceded by a chain of events, circumstances related to compromised safety limits and their support systems. If these chains of events or circumstances were altered, then accidents and safety incidents could be prevented.

In many cases, oil and gas companies are aware of precursor information, near miss information, safety-related information on similar operations that take place onshore, and other safety data through their own data collection efforts. This data can be used in order to prevent future adverse events and mishaps.

Several factors have impeded open sharing of precursor information within the industry, one of which is concerns about confidentiality. Confidential safety reporting programs such as SafeOCS address these concerns about confidentiality and non-disclosure as well as the necessity for the de-identification of data and added protection from indirect identification.

1. SCOPE OF THE BTS SafeOCS REPORTING PROGRAM

XXXX and BTS mutually agree that:

* BTS shall develop and implement the database system and the secure hosting environment to support and manage the SafeOCS database;
* XXXX, on a voluntary basis, will submit confidential data on safety-related incidents and near misses to BTS for statistical purposes through the secure hosting environment;
* BTS shall develop user interface tools to provide XXXX secure access to its own data;
* BTS shall develop online analytical tools and allow XXXX the option of conducting its own analysis of all data residing in SafeOCS, without disclosing company identifiable information; and
* the details of the data exchange procedures between XXXX and BTS are outlined in Attachments I and II to this agreement.

**Benefits**. The SafeOCS program provides the opportunity to improve safety practices by identifying events or conditions that may be precursors to the occurrence of an incident or other unwanted consequences. Analyzing information from a broad range of safety incidents and near misses can contribute to the identification of risk patterns, gaps in risk analysis, and factors associated with the compromise or loss of barriers and their support systems. This knowledge can be used to uncover hidden unsafe conditions that were previously unreported and unknown, monitor changes in safety conditions over time, improve safety practices, and promote continuous improvement.

**Definition and Examples of Near-Misses**. The IMO defines a near miss as "A sequence of events and/or conditions that could have resulted in loss. The loss was prevented only by a fortuitous break in the chain of events and/or conditions. The potential loss could be human injury, environmental damage, or negative business impact (e.g., repair or replacement costs, scheduling delays, contract violations, loss of reputation)." For SafeOCS, BTS and XXXX have agreed to use the IMO definition of a near miss. Those include, but are not limited to:

* *Any event that leads to the implementation of an emergency procedure, plan or response and thus prevents a loss.*
* *Any event where an unexpected condition could lead to an adverse consequence, but which does not occur.*
* *Any dangerous or hazardous situation or condition that is not discovered until after the danger has passed.*

\*From IMO Guidance on Near Miss: ***MSC-MEPC. 7/Circ.7***

**SafeOCS Key Elements**. The SafeOCS Reporting Program adheres to the following key elements:

##### Purpose is to identify risks to personnel, the environment, property and resources related to offshore oil and gas all operations, including transportation and other activities that support these operations.·

* *Voluntary participation by individuals and companies.*
* *Confidentiality of company and individual participants’ data.*
* *Use of collected data for statistical purposes only*
* *Non-punitive (protection of companies and individuals who submit data)*

#### **USE OF DATA**

BTS will collect confidential data submitted by XXXX and other companies and individuals for statistical purposes, develop an analytical database containing the submitted data and other pertinent information, and protect the confidentiality of these data through its own statue (49 U.S.C. 6307(b)) and the Confidential Information Protection and Statistical Efficient Act of 2002 (CIPSEA). Accordingly, only statistical and non-sensitive information will be made available to the public.

Data Review Teams led by BTS and including subject matter experts will analyze the data submitted by individuals and companies and develop aggregate reports highlighting emerging trends. Companies providing data to SafeOCS will be invited to participate on a Data Review Team. Non-BTS members of these teams will serve as BTS agents subject to the confidentiality and other requirements of CIPSEA, and will be required to sign a Non-Disclosure Agreement.

BTS shall establish a Disclosure Review Team (DRT) to review all final SafeOCS documents prior to dissemination. A DRT review ensures that the identity of individuals and companies are protected from direct and indirect disclosure. Companies providing data to SafeOCS will be invited to serve on a DRT. The DRT will be led by BTS, and non-BTS members of the DRT will serve as BTS agents subject to the confidentiality and other requirements of CIPSEA. Non-BTS members of the DRT will be required to sign a Non-Disclosure Agreement.

#### **RESPONSIBILITIES OF THE PARTIES**

The BTS and XXXX mutually agree to the following:

**BTS shall**: (1) develop a secure data portal to facilitate confidential data transfer by XXXX for statistical purposes; (2) establish a Data Review Team of subject matter experts to conduct analysis of the confidential data; (3) establish a DRT to review final documents prior to public dissemination to prevent identifiable information from being reasonably inferred by either direct or indirect means; (4) collect and handle the submitted information to minimize risk of disclosure including ensuring physical and information systems security and properly training employees; (5) ensure the information submitted is used only for statistical purposes; and (6) supervise and control agents who have access to confidential information, including but not limited to members of the Data Review Team and DRT.

**XXXX shall**: on a voluntary basis, submit confidential data on safety-related incidents and near misses to BTS through a secure data portal for statistical purposes.

#### **POINTS OF CONTACT**

BTS:

Administrative issues: Name, Project Manager

 Phone, email

Technical issues: Name, Confidentiality Officer

 Phone, email

Legal issues: Name, title

 Office of Chief Council

 Phone, email

XXXX:

Administrative issues: Name, Project Manager

 Phone, email

Technical issues: Name, Confidentiality Officer

 Phone, email

Legal issues: Name, title

 Office of Chief Council

 Phone, email

###### DISPUTE RESOLUTION

In the event of any dispute, question, or disagreement arising out of or relating to this Agreement or the breach thereof, the parties hereto shall first use their best efforts to settle such disputes, claims, questions, or disagreement. To this effect, they shall consult and negotiate with each other, in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

###### GROUNDS FOR TERMINATION

This Cooperative Agreement may be terminated upon thirty (30) day written notice by either XXXX or BTS without fault. Upon termination of this Agreement, BTS shall either return any data submitted to XXXX or destroy any data submitted and certify to BHGE the destruction of such data.

###### SIGNATURE PAGE

The parties signing below represent that they have the authority to enter into this Agreement.

# BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

#  Name, Title

#  XXXX

DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

#  Name, Director,

#  Bureau of Transportation Statistics

#  Office of the Assistant Secretary for Research and Technology

#  U.S. Department of Transportation

# DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ATTACHMENT I

**Data Transfer Protocol**

(to be refined with assistance from XXXX technical team)

**ATTACHMENT II**

**Record Layout and Metadata**

(to be provided by XXXX)