



# ICS Examiner's Report

## OFFSHORE SUPPORT INDUSTRY 2013

### Overall Comments

It was encouraging to see the large increase in the number of candidates. Their standard was wide-ranging and about half of all candidates passed. While the publication of the course book has been a step in the right direction it was clear that there were a significant minority of candidates who had studied and could recall it well, but without fully understanding the meaning and significance. I feel that some form of TutorShip program would be beneficial to enable the complete novice to obtain a better understanding in future.

### Question One

The ship recommendation should be for a market where there is likely to be demonstrable demand and where rates are sufficient to warrant the capital expenditure and operating costs. Also students should have considered how the proposed vessel will sit within the owner's existing fleet. For modern tonnage where the vessel has a long remaining life span new technology should be closely considered, such as DP, efficiency of propulsion and hull shape to reduce fuel costs (diesel electric, hybrid, dual fuel), safety (e.g. safe handling systems for anchor handling) and comfort (quiet and comfort class) etc. It is important to answer the question and actually make a recommendation rather than just recite facts about various types of vessel.

### Question Two

This was the most popular question which most candidates used to gain good marks, but in order to get the maximum it was necessary to explain the context and demonstrate a good understanding of the terms rather than just give a one sentence definition for a term. It also helps to answer the full five terms asked.

### Question Three

The easiest solution is to see if you can negotiate early termination, which will depend on how the market has moved since the original fixture. Alternative solutions are to sublet which will cause problems if the CPS are not identically back to back but which can be lucrative if the market has strengthened or seek the owner's so-operation to charter out on the vessel on best terms, which gets round the potential indemnity exposure. An element of profit share may also be negotiated as an incentive. Candidates often had one or two ideas but better answers contained wider range of alternatives.

### Question Four

Generally one of the least popular questions as it requires a specific knowledge to answer well. We were looking for correct description of at least one type of vessel, be it 2/3/4D seismic / sidescan / hydrographic / coring etc. For offshore, a 3D vessel with multiple streamers is common and has many features to describe on which to score marks. Then going on to explaining how other types of survey vessel differ and for what and where they are used is also important.

### **Question Five**

While most candidates got the overall profile of the vessel correct, we were looking for identification of the specific features which are exclusive to AHTS, hence marks were not awarded for identification of the likes of the bow and the bridge etc. We wanted correct identification and locating of the AH winch/gypsies/shark jaws/pins/stern roller etc. as well as under-deck cargo tanks and an appropriate propulsion and thruster configuration.

Geographically, AHTS work world-wide, but not all AHTS can work in all markets and explaining the different features which are required in different markets is helpful. They are usually associated with the environments, water depths and types of rigs operating in any given area. Some took area of operation to mean the specific work roles within the offshore context, which as it went toward demonstrating the candidates' overall understanding was rewarded with further marks.

### **Question Six**

This was by far the least popular question with only 20% of the candidates selecting it. We were primarily looking for wet versus dry tow and self-propelled (if applicable) along with choice of routing combined with weather and security, all of which have an effect on the time needed to carry out the transit along with the cost of hiring tugs/heavy lift offset against the downtime of the rig itself. Contract forms will typically be Towcon /Towhire / Heavycon or a straight rig time charter if transiting under own power. Some operators also have their own non Bimco equivalents of these contracts.

### **Question Seven**

More than 75% of the candidates answered this question but overall it achieved the lowest average marks. It was important to identify that all parties (i.e. owners, charterers and brokers) can benefit from an active spot market and how so. (Companies providing on and off-hire surveys also can benefit). Owners benefit from extra fill-in work while waiting to fix on term and on a strong market can achieve higher average rates than if they were on term.

Charterers can pay for vessels only when they need them although availability is not always guaranteed. On an active spot market such as in the North Sea brokers are invariably used and can charge a higher rate of commission.

### **Question Eight**

This was the third most popular question and obtained the highest average mark. The key was to identify Jack-up, Semi- Submersible and Drillships which all need supplying, whilst most Semi-Submersibles need AHT/S to retrieve and set anchor patterns, Jack-ups can make do with tugs to move and position the rig before jacking up and modern drill ships can usually position themselves and maintain position using DP. All vessels may additionally require standby/ERRV vessels depending on area of operation. Some candidates were confusing FPSOs as drilling rigs.