Transocean

TRANSOCEAN LTD.
TURMSTRASSE 30, 6300
ZUG, SWITZERLAND

December 13, 2011

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, D.C. 20006-2803

Re: PCAOB Rulemaking Docket Matter No. 37
Concept Release on Auditor Independence and Audit Firm Rotation

Dear Secretary:

Thank you for the opportunity to provide comments to the Public Corporation Accounting Oversight Board (PCAOB) on the Concept Release On Auditor Independence And Audit Firm Rotation (the "Release"). Although we share the PCAOB's interest in enhancing auditor independence, objectivity and professional skepticism, we are not in favor of the mandatory audit firm rotation, as we believe that this would create audit inefficiencies and increase risks to audit quality.

We believe that mandatory audit firm rotation would result in certain inefficiencies, which we believe outweigh the intended benefits of enhanced audit quality and improved investor protection. Mandatory firm rotation would require company management and personnel to divert time and resources away from their primary duties and responsibilities. Company management would be required to dedicate additional time to researching, soliciting, and selecting new auditors before the conclusion of each rotation period. Company personnel would be required to dedicate additional time to provide orientations to the audit personnel of the newly appointed firm to offer detailed background information regarding historical transactions and events, accounting policies and disclosures. Engagement teams would likely be required to spend correspondingly increased time preparing proposals for an upcoming rotation and, once obtained, educating themselves about the new client and its accounting policies. At the end of the rotation period, the knowledge base accumulated during the rotational period that offers the engagement team, especially those at the management level, with the foundation for discerning skepticism and objectivity would be largely lost. The knowledge base is becoming increasingly important as accounting and disclosure requirements are becoming increasingly complex with more frequency and less transition. Accordingly, we believe that the audit firm rotations will increase inefficiencies by adding direct and indirect costs to audits.

We believe that since the enactment of the Sarbanes-Oxley Act of 2002, which established a number of requirements to protect investors, audit quality has significantly improved. We believe that the requirement for mandatory audit partner rotations, for example, has caused the audit firms to establish systematic rotations of firm personnel assigned to an engagement. We believe the audit firms have successfully developed these rotations in a manner that achieves the intended benefits that is proposed in the Release without the inefficiencies described above.

We thank you for your consideration of our comments.

Sincerely,

Rob Shaw
Vice President and Controller

Ricardo H. Rosa
Executive Vice President and Chief Financial Officer