### MEMBER COUNTRY PROFILE - UNITED STATES

Country: United States

**Organisation:** Bureau of Safety and Environmental Enforcement (BSEE)

**Regime Scope:** Authorization includes regulation of oil, gas, and sulphur

exploration, development, and production operations on the

United States Federal Outer Continental Shelf (OCS).

Administering

Agency

/Arrangements:

Federal government: the Bureau of Safety and Environmental Enforcement is a bureau within the U.S. Department of the

Interior (DoI).

**Legislation Type:** The OCS Lands Act (OCSLA) is the primary statute governing

offshore oil, gas, and marine mineral activities. Regulations governing OCS oil, gas, and minerals can be found in Title 30 of

the Code of Federal Regulations.

Extent Of Government Approval:

Drilling permits, completion and work-over permits, production safety system permits, structural permits, pipeline rights-of-way, safety and environmental management systems oversight, oil spill preparedness, and decommissioning applications.

Nature Of Duties Imposed:

Hybrid regulatory approach; prescriptive regulations including 96 industry standards; performance objectives can be achieved by alternate means with BSEE approval.

Physical Objects In The Regime:

Oil and gas exploration and production in the Gulf of Mexico (2500 platforms, 45 MODUs, 27,000 miles of pipeline, subsea production systems, wide range of support equipment), offshore California (23 production platforms, 213 miles of pipeline, development from existing facilities, extended reach wells), and the Beaufort Sea (production from an artificial island, second production project in planning, ongoing exploration). Additional oil and gas exploration is underway in the Chukchi Sea and in the planning stage in the Beaufort Sea.

BSEE assists the US Coast Guard on the review of offshore LNG gasification ports. To date, 17 applications have been received and 7 have been approved. Two facilities are operating now.

# Assurance Mechanisms:

BSEE inspectors and investigators are based in 6 district offices (5 in the Gulf of Mexico, 1 in California) and one regional office in Alaska, and fly offshore regularly. OCS Lands Act mandates annual inspections. Inspectors have authority to issue Incidents of Non-Compliance, which may be a warning or a facility shut-in order. BSEE may assess civil penalties for failures to follow the law, regulations, licenses, permits, or orders.

- Industry self-inspections and records are required by regulation.
- Drills (spill response, BOPE, H2S, evacuation, etc) are required and may be initiated by BSEE without notice.
- 3rd party reviews (design, fabrication, and installation) are required for deepwater or novel structures.

#### **Financial Basis:**

Approximately 60% of BSEE's total funding is derived from the collection of inspection fees, rental receipts on OCS leases, and cost recovery assessments. The remainder of the funding comes from annual congressional appropriations.

# Environmental Regulation Responsibilities:

The National Environment Policy Act (NEPA) is the foundation of environmental decision-making in the United States. NEPA is a procedural stature that helps inform executive agency decision-making based on an understanding of environmental consequences and a meaningful evaluation of reasonable alternatives. The NEPA established the <a href="Council on Environmental Quality">Council on Environmental Quality</a> (CEQ) to advise agencies on the environmental decision-making process and to oversee and coordinate the development of Federal environmental policy. The CEQ issued regulations (40 CFR 1500-1508) in 1978 implementing NEPA, which were adopted by Dol. BSEE relies on the principles established by NEPA to inform its decision-making.

# Oil Spill Response:

BSEE oversees oil spill planning and preparedness for U.S. facilities located in both state and federal waters seaward of the coastline that handle, store or transport oil. This authority is granted through the Oil Pollution Act of 1990 and Executive Order 12777. BSEE reviews Oil Spill Response Plans (OSRPs) to verify that the owner or operator and any contract personnel have met all training and exercise requirements and are prepared to execute the plans; conducts unannounced exercises

to test the plans; and verifies that the oil spill response equipment listed in the OSRP is maintained properly and readily available. BSEE also monitors oil spill incident reports, reviews and analyzes follow-up reports on spill responses for process improvement, provides technical assistance to Federal On-Scene Coordinators (FOSCs) in the event of an oil spill, and supports other actions taken by the Department of the Interior (Dol). Finally, BSEE manages a robust oil spill research and development program. For more than 25 years, BSEE has maintained a comprehensive, long-term research program dedicated to improving oil spill response options. The major focus of the program is to improve the methods and technologies used for oil spill detection, containment, treatment, recovery, and cleanup. BSEE has source control authority in the event of a blowout on the OCS.

# **Transparency:**

Nearly all aspects of BSEE's functions and responsibilities are described at www.BSEE.gov. The website addresses the organization and responsibilities of each division and region of the bureau. All of the environmental studies and technical research that have been conducted are posted to the website. Statistics and investigation reports conducted by BSEE are posted or linked within the website. All Notices to Lessees, which provide clarification of regulations, are posted on the website. The site also provides a Fast Fact query function that allows the public to query many aspects of the data that BSEE controls including but not limited to:

- Applications for Permit to Drill
- Boreholes Drilled
- Exploration and Development Plans
- Facility Measurement Points
- Lease Owner
- Offshore Statistics by Water Depth
- Pipeline Locations
- Pipeline Permits
- Platform Structures
- Plugging and Abandonment Liability
- Production Data

# Research

As part of the Emerging Technologies Branch, the Contract Support Section (CSS), the research support element of BSEE's regulatory safety programs, ensures the necessary applied research and assesses offshore engineering technology for use in advancing BSEE's regulatory objectives. The CSS contract representatives identify, fund, and administer these contracts

and you can find all the Technology Assessment Program (TAP) Projects and contracts are available for public viewing on the <u>BSEE TAP categories page</u>.

**Profile Date:** February 2017