



# BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT

**Mission** – The Bureau of Safety and Environmental Enforcement works to promote safety, protect the environment, and conserve energy resources on the U.S. Outer Continental Shelf through vigorous regulatory oversight and enforcement.

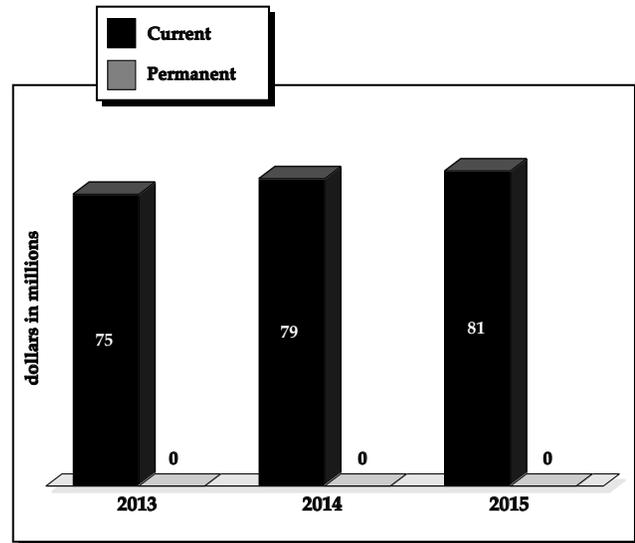
**Budget Overview** – The 2015 President’s budget request for the Bureau of Safety and Environmental Enforcement is \$204.6 million, including \$81.0 million in current appropriations and \$123.6 million in offsetting collections from rental receipts, cost recoveries, and inspection fees. The BSEE estimates staffing will total 869 full time equivalents in 2015, including 744 direct FTE and 125 reimbursable FTE to provide shared services Department-wide, which are fully reimbursed from other accounts. This is an increase of 51 direct FTE from the 2014 level. The 2015 gross budget request for the total program is a \$2.0 million increase above the 2014 enacted level. The request in current appropriations is an increase of \$2.4 million above the 2014 level, after accounting for a decrease in estimated offsetting collections. All increases support the Powering Our Future initiative.

The total offsetting collections estimate for 2015 is \$123.6 million, a decrease of \$391,000 from the 2014 estimate. This includes a decrease of \$156,000 for rental receipts and a decrease of \$235,000 for cost recoveries, with no change in estimated inspection fee collections.

**Progress Through Reform** – In 2010, the former Minerals Management Service was reorganized into three independent entities to institute strong internal controls over the development, regulation, and revenue collection activities in the Federal offshore energy regulatory system. Since October 1, 2011, BSEE has operated as a distinct bureau with responsibility for oil and gas permitting, facility inspections, regulations and standards development, safety research, field operations, incident investigation, environmental compliance and enforcement, oil spill prevention and readiness, review of operator oil spill response plans, review and oversight of production and development plans, and resource conservation efforts.

Building on recent investments and progress, BSEE continues to recruit professionals into the workforce

## BSEE Funding



and train all personnel to better compare, assess, and identify risks and mitigation strategies to promote safety, protect the environment, and conserve offshore resources. These professionals review permits and response plans, evaluate new and emerging technologies, and conduct inspections, investigations, and enforcement activities to properly define, assess, and mitigate risks. The BSEE training activities provide newly-hired technical staff with a base-level competency they use and build on throughout their careers. All BSEE technical personnel continue to engage in formal classroom training, on-the-job training and mentoring, and field-based classes when applicable to ensure they are current on the latest offshore oil and gas technologies and practices.

The BSEE will continue working to refine internal controls and processes and expand the use of information and data management systems to promote continuous safety in offshore operations and provide an environmental enforcement presence. The Bureau is further advancing new protocols that emphasize risk-based oversight to identify and focus inspections on the “riskiest” activities and facilities. The BSEE is working to establish real time monitoring capabilities to improve and increase the regulatory oversight of critical offshore operations

## BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT FACTS

- Established October 1, 2011.
- Conducts more than 23,000 inspections per year to ensure the safe and environmentally responsible operation of nearly 2,600 offshore oil and gas drilling and production facilities and pipelines.
- Operates the largest facility in the United States that can test oil spill response equipment with a variety of crude oils and refined petroleum products under reproducible marine conditions.
- Conducts studies to continuously improve operational safety and pollution prevention related to offshore oil and natural gas exploration and development and renewable energy facilities, including best available and safest technologies.

and equipment. The BSEE is also strengthening its investigation, data analysis, and compliance and enforcement programs to enhance the identification of risk and risk mitigation approaches.

**Powering Our Future Initiative** – In March 2011, President Obama released his Blueprint for a Secure Energy Future that includes a three-part strategy to produce more energy with domestic resources, reduce reliance on oil imports, and lead the development of clean alternative fuels, all with improved efficiency.

The 2015 BSEE budget fully supports this strategy by ensuring development of the Nation's vast offshore energy resources is conducted in a safe and environmentally responsible manner. Funds will be used to recruit expert engineers, scientists, and oil spill planning, prevention, and response specialists to support the development of strong scientific information and the timely and thorough review of permits. A program increase of \$905,000 is proposed to support the enhanced review of new and emerging technologies by technical experts, and expand project funding used to validate technology, test protocols, and analyze economic feasibility.

**Offshore Safety and Environmental Enforcement** – The 2015 budget request includes \$189.7 million for the Offshore Safety and Environmental Enforcement appropriation, primarily for conventional energy activities, an increase of \$2.0 million over the 2014 level that includes \$1.1 million in fixed costs. The BSEE is also working collaboratively with the Bureau of Ocean Energy Management to establish appropriate permitting and oversight processes for offshore renewable energy projects that will ensure safe operations.

The 2015 request will allow BSEE to continue to strengthen regulatory and oversight capability on the OCS by maintaining the current capacity in multiple disciplines to adequately staff regulatory, safety management, structural and technical support, and oil spill response preven-

tion programs. Continued outreach and dialogue with stakeholders from academia, industry, non-governmental organizations, and other governmental agencies will enhance the knowledge base of technical personnel related to innovative technologies, regulatory gaps, real-time monitoring capabilities, and risk-based decisionmaking for safety and environmental enforcement.

The 2015 budget request includes a program increase of \$905,000 to support the evaluation of new and emerging technologies. Funds will be used to support two technical experts that will evaluate and test these technologies and update regulations to reflect improved safety and oversight protocols. These funds will also be used to support the testing and evaluation of best available and safest technology through specific projects.

**Oil Spill Research** – This program supports research on the prevention and response to oil pollution as authorized by the Oil Pollution Act of 1990. The Oil Spill Research program plays a pivotal role in initiating applied research to support decisionmaking on methods and equipment to prevent or mitigate oil spills, which is a critical component of the offshore permitting process. Funds are used to sponsor testing of new equipment or methods as well as support ongoing Ohmsett testing and training activities. Located in Leonardo, New Jersey, the Ohmsett test facility is the only one of its type in the world providing full-scale equipment and methodology testing for offshore spills in a safe, controlled environment.

The 2015 budget proposes \$14.9 million for Oil Spill Research, equal to the 2014 enacted level. The funds will be used to address key knowledge and technology gaps in oil spill response, focusing on deepwater and arctic environments. The studies will leverage other funds through cooperative efforts with the National Oceanic and Atmospheric Administration, Department of the Navy, and U.S. Coast Guard.

**Fixed Costs** – Fixed costs of \$1.1 million are fully funded.

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## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

### *Comparison of 2015 Request with 2014 Enacted*

	2014 Enacted		2015 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Offshore Safety Environmental Enforcement .....	671	63,745	722	66,147	+51	+2,402
Oil Spill Research .....	22	14,899	22	14,899	0	0
Subtotal, Current .....	693	78,644	744	81,046	+51	+2,402
Offsetting Collections .....	125	123,970	125	123,579	0	-391
<b>TOTAL, BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT (w/ OC).....</b>	<b>818</b>	<b>202,614</b>	<b>869</b>	<b>204,625</b>	<b>+51</b>	<b>+2,011</b>

## HIGHLIGHTS OF BUDGET CHANGES

### By Appropriation Activity/Subactivity

#### APPROPRIATION: Offshore Safety and Environmental Enforcement

	2013 Actual	2014 Enacted	2015 Request	Change
Environmental Enforcement				
Appropriation.....	1,420	3,027	0	-3,027
Offsetting Collections .....	2,479	5,287	0	-5,287
Subtotal, Environ. Enforcement .....	3,899	8,314	0	-8,314
Operations, Safety and Regulation				
Appropriation.....	34,993	37,478	42,663	+5,185
Offsetting Collections .....	90,395	94,729	99,248	+4,519
Subtotal, Ops, Safety and Reg. ....	125,388	132,207	141,911	+9,704
Administrative Operations				
Appropriation.....	4,732	4,990	5,027	+37
Offsetting Collections .....	10,024	10,570	10,649	+79
Subtotal, Administrative Ops.....	14,756	15,560	15,676	+116
General Support Services				
Appropriation.....	3,785	4,275	4,401	+126
Offsetting Collections .....	8,181	9,238	9,511	+273
Subtotal, General Support Services..	11,966	13,513	13,912	+399
Executive Direction				
Appropriation.....	13,251	13,975	14,056	+81
Offsetting Collections .....	3,931	4,146	4,171	+25
Subtotal, Executive Direction .....	17,182	18,121	18,227	+106
Total Appropriation .....	58,181	63,745	66,147	+2,402
Total Offsetting Collections .....	115,010	123,970	123,579	-391
TOTAL APPROPRIATION .....	173,191	187,715	189,726	+2,011

#### *Detail of Budget Changes*

	2015 Change from <u>2014 Enacted</u>		2015 Change from <u>2014 Enacted</u>
TOTAL APPROPRIATION .....	+2,011		
Environmental Enforcement.....	-8,314	Administrative Operations.....	+116
Consolidation of Environmental Enforcement Activity into Operations, Safety and Regulation.....	-8,314	Fixed Costs .....	+116
Operations, Safety and Regulation.....	+9,704	General Support Services.....	+399
Consolidation of Environmental Enforcement Activity into Operations, Safety and Regulation.....	+8,314	Fixed Costs .....	+399
Enhanced Review of Emerging Technologies .....	+905	Executive Direction.....	+106
Fixed Costs .....	+485	Fixed Costs .....	+106
		Subtotals for Changes Across Multiple Subactivities	
		Fixed Costs .....	[+1,106]

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**APPROPRIATION: Oil Spill Research**

	<u>2013 Actual</u>	<u>2014 Enacted</u>	<u>2015 Request</u>	<u>Change</u>
TOTAL APPROPRIATION .....	14,120	14,899	14,899	0
Supplemental.....	2,850	0	0	0
TOTAL APPROPRIATION ( <i>w/ supp</i> ).....	16,970	14,899	14,899	0