



BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT

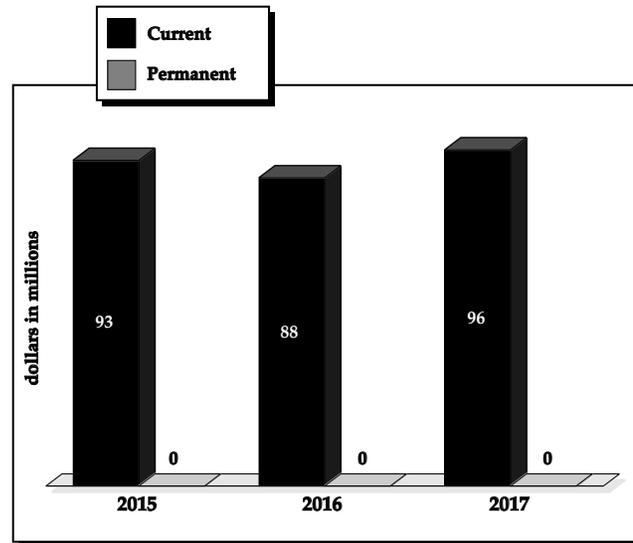
Mission – The Bureau of Safety and Environmental Enforcement works to promote safety, protect the environment, and conserve resources offshore through vigorous regulatory oversight and enforcement.

Budget Overview – The 2017 President's budget request for the Bureau of Safety and Environmental Enforcement is \$204.9 million, including \$96.3 million in current appropriations and \$108.5 million in offsetting collections from rental receipts, cost recoveries, and inspection fees. Estimates for BSEE staffing will equal 881 full time equivalents in 2017, including 125 FTE which are fully reimbursed from other accounts, to provide Department-wide shared services. The 2017 budget request is a \$196,000 increase above the 2016 enacted level, reflecting an increase of \$7.9 million in current appropriations and a \$7.7 million decrease in offsetting collections. The total 2017 estimate of \$108.5 million in offsetting collections assumes a decrease of \$11.5 million from the 2016 enacted level for rental receipts, a decrease of \$2.2 million for cost recoveries, and a \$6.0 million increase for inspection fee collections. The entire budget supports Secretary Jewell's Powering Our Future initiative which aims to strengthen the economy and ensure the Nation's rich conservation legacy passes to the next generation—a path forward that includes safe and responsible offshore energy development.

Assessing and Managing Risk – The BSEE was established on October 1, 2011 to protect life, property, and the environment by ensuring the safe and responsible development of the Nation's offshore energy resources. As the Administration works to support domestic energy production, BSEE is taking the necessary steps to provide effective oversight of oil, natural gas, and renewable energy development on the Outer Continental Shelf, promoting a culture of safety and environmental protection, and ensuring compliance with Federal regulations within the offshore oil and gas industry.

The BSEE is focused on the reduction of risk offshore by pursuing a comprehensive program of regulations, compliance monitoring and enforcement, technical assessments, inspections, and incident investigations.

BSEE Funding



While BSEE mitigates oil spill risks through a focused program on prevention, it equally emphasizes that the offshore community be prepared with the best plans, equipment, and training to respond to oil spills. In addition, it placed great emphasis on the establishment of a safety culture throughout industry. The cornerstone of this effort is the Safety and Environmental Management System, a performance-based program that forms a necessary counterpart to the Bureau's traditional regulatory oversight activities.

The BSEE's ability to recognize, assess, manage, and drive mitigation of external operating risks throughout all offshore activities is critical to maintaining an effective regulatory oversight program. By applying risk management strategies, BSEE is able to more efficiently and effectively target the use of its resources towards ensuring safe and responsible offshore energy development.

The BSEE continues to adapt its regulatory and oversight approaches as offshore operations continue to expand and move into more challenging environments requiring the use of new technologies. Programs have been established that allow the identification, evaluation, and promotion

BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT FACTS

- Established October 1, 2011.
- Conducts more than 19,000 inspections per year to ensure the safe and environmentally responsible operation of nearly 2,400 offshore oil and gas drilling and production facilities and 7,200 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.
- Promotes adoption of a safety culture on the OCS through standards, regulations, compliance audits, oversight, enforcement, and incident investigations.

of emerging technologies that aim to decrease the risk of offshore energy operations while increasing safety for offshore workers. The 2016-2019 Strategic Plan will guide BSEE through current and future OCS activities. The Plan identifies six strategic goals: three operational excellence goals that encapsulate core functions including inspections, permitting, investigations, enforcement and preparedness, among others; and three organizational excellence goals focused on internal capacity to execute these functions with an empowered workforce.

The BSEE is a world leader in safety and environmental stewardship. With innovative regulatory approaches and appropriate collaboration with stakeholders, BSEE will foster a culture of safety that reduces the risk of incidents and spills, while enhancing its ability to prepare and respond to those that do occur with prompt and appropriate actions.

Powering Our Future Initiative – The 2017 budget fully supports the Secretary’s and the Administration’s efforts to support domestic energy production while ensuring that development of the Nation’s vast offshore energy resources is conducted in a safe and environmentally responsible manner. Funds will be used to recruit, train, and retain expert engineers, scientists, inspectors, and oil spill planning, prevention, and response specialists and other disciplines to support the implementation of its regulatory oversight responsibilities. The budget also continues to provide funds to support the development of renewable energy on the OCS, a key agency priority. This funding will help achieve a responsible balance between reducing reliance on imported oil and broadening the Nation’s energy portfolio.

Offshore Safety and Environmental Enforcement – The 2017 budget request includes \$190.0 million for Offshore Safety and Environmental Enforcement programs,

primarily for conventional energy activities. The BSEE also is working collaboratively with the Bureau of Ocean Energy Management to establish appropriate permitting and oversight processes for offshore renewable energy projects that will promote safe operations.

The 2017 request will allow BSEE to continue to strengthen regulatory, research, and oversight capability on the OCS by continuing to build and retain staff capabilities. 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 decision making for safety and environmental enforcement.

The 2017 budget will continue to focus on supporting risk based oversight, promoting research and development of new technologies, scientific investments, and monitoring techniques to best manage the Country’s natural resources, while promoting safe and environmentally responsible development of the Nation’s offshore energy resources.

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 used to support decision making on methods and equipment to prevent or mitigate oil spills, a critical component of the offshore permitting process. Funds are used to sponsor testing of new equipment or methods and to support the Ohmsett test 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 2017 budget proposes \$14.9 million for Oil Spill Research, equal to the 2016 request level. The request will 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 \$531,000 are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2017 Request with 2016 Enacted

	2016 Enacted		2017 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Offshore Safety and Environmental Enforcement .	734	73,565	734	81,438	0	+7,873
Oil Spill Research	22	14,899	22	14,899	0	0
Subtotal, Current.....	756	88,464	756	96,337	0	+7,873
Offsetting Collections	125	116,207	125	108,530	0	-7,677
TOTAL, BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT (w/ OC)	881	204,671	881	204,867	0	+196

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Offshore Safety and Environmental Enforcement

	2015 Actual	2016 Enacted	2017 Request	Change
Environmental Enforcement				
Appropriation.....	3,027	3,027	3,027	0
Offsetting Collections	5,287	5,287	5,287	0
Subtotal, Environmental Enforcmnt.	8,314	8,314	8,314	0
Operations, Safety and Regulation				
Appropriation.....	51,833	51,928	59,801	+7,873
Offsetting Collections	81,764	93,026	85,349	-7,677
Subtotal, Ops, Safety, and Reg.....	133,597	144,954	145,150	+196
Administrative Operations				
Appropriation.....	5,027	6,016	6,016	0
Offsetting Collections	10,649	12,252	12,252	0
Subtotal, Administrative Ops.....	15,676	18,268	18,268	0
General Support Services				
Appropriation.....	4,401	0	0	0
Offsetting Collections	9,511	0	0	0
Subtotal, General Support Services..	13,912	0	0	0
Executive Direction				
Appropriation.....	14,056	12,594	12,594	0
Offsetting Collections	4,171	5,642	5,642	0
Subtotal, Executive Direction	18,227	18,236	18,236	0
Total Appropriation	78,344	73,565	81,438	+7,873
Total Offsetting Collections	111,382	116,207	108,530	-7,677
TOTAL APPROPRIATION	189,726	189,772	189,968	+196

Detail of Budget Changes

	2017 Change from <u>2016 Enacted</u>		2017 Change from <u>2016 Enacted</u>
TOTAL APPROPRIATION	+196		
Environmental Enforcement.....	0	Executive Direction.....	0
General Reduction.....	-35	General Reduction.....	-81
Fixed Costs	+35	Fixed Costs	+81
Operations, Safety and Regulation.....	+196	Subtotals for Changes Across Multiple Subactivities	
General Reduction.....	-122	General Reduction.....	[-335]
Fixed Costs	+318	Fixed Costs	[+531]
Administrative Operations.....	0		
General Reduction.....	-97		
Fixed Costs	+97		

APPROPRIATION: Oil Spill Research

	2015 Actual	2016 Enacted	2017 Request	Change
TOTAL APPROPRIATION	14,899	14,899	14,899	0