



BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT

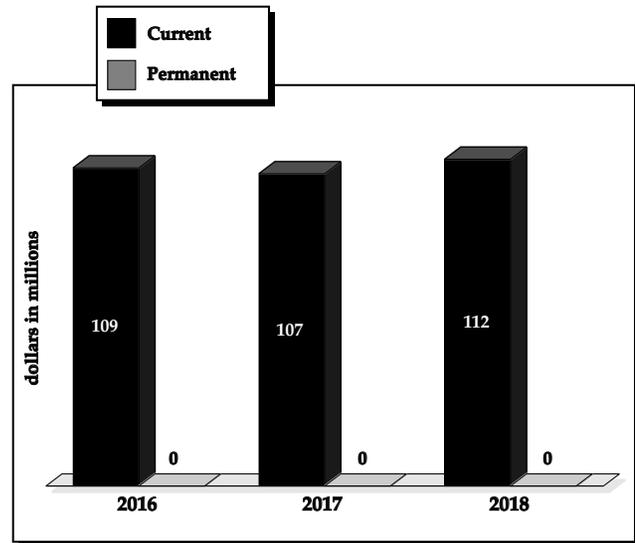
Mission – The mission of the Bureau of Safety and Environmental Enforcement is to ensure the safe and responsible exploration, development, and production of America’s offshore energy resources through regulatory oversight and enforcement.

Budget Overview – The 2018 President’s budget request for the Bureau of Safety and Environmental Enforcement is \$204.9 million, including \$112.0 million in current appropriations and \$92.9 million in offsetting collections from rental receipts, cost recoveries, and inspection fees. The BSEE estimates staffing will equal 881 full time equivalents in 2018, including 125 FTE which are fully reimbursed from other accounts to provide Department-wide shared services. Funding for the total BSEE program is \$600,000 above the 2017 CR baseline level, reflecting an increase of \$5.1 million in current appropriations and a \$4.5 million decrease in offsetting collections. The total 2018 estimate of \$92.9 million in offsetting collections assumes a decrease of \$14.1 million from 2017 for rental receipts, a decrease of \$1.5 million for cost recoveries, and an \$11.1 million increase for inspection fee collections.

Safe and Responsible Production – The BSEE was established on October 1, 2011 to protect life, property, and the environment by ensuring the safe and responsible exploration, development, and production 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, which reflects a careful balance between resource development, production goals, worker safety, and environmental protection.

The BSEE is focused on fostering secure and reliable energy production for America’s future. The Bureau pursues this objective through a program of efficient permitting, appropriate regulations, compliance monitoring and enforcement, technical assessments, inspections, and incident investigations. As a steward of the Nation’s OCS oil, gas, and mineral resources, the Bureau protects Federal royalty interests by ensuring that oil and gas pro-

BSEE Funding



duction methods maximize recovery from underground reservoirs. 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 when they occur. In addition, BSEE places great emphasis on enhancing and supporting a safety culture throughout industry. The cornerstone of this effort is the Safety and Environmental Management System.

The BSEE ability to recognize, assess, manage, and ensure appropriate mitigation of operating risks throughout all offshore activities is critical to maintaining a predictable environment for the long-term investments required to support OCS development. These abilities also allow BSEE to efficiently and effectively target the use of its resources towards ensuring safe and responsible offshore energy production.

The BSEE continues to adapt its oversight approaches as offshore operations expand and move into more challenging environments that require the use of new technologies. Programs have been established that allow BSEE

BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT FACTS

- Established October 1, 2011.
- Conducts more than 21,000 inspections per year to ensure the safe and environmentally responsible operation of nearly 2,400 offshore oil and gas drilling and production facilities and 27,000 miles of 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.

to identify, evaluate, and promote emerging technologies that aim to mitigate the risk of offshore energy operations while increasing safe and environmentally responsible operations. The BSEE's 2016-2019 Strategic Plan will guide the Bureau through current and future OCS activities. The plan identifies six strategic goals: three operational excellence goals that encapsulate BSEE's core functions including permitting, inspections, investigations, regulatory compliance and preparedness, among others; and three organizational excellence goals focused on BSEE's internal capacity to execute these functions with a specialized and empowered workforce at the field level.

The 2018 BSEE budget request fully supports the Secretary's and the Administration's efforts to advance 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, geoscientists, inspectors, and oil spill planning, prevention, and response specialists, and other disciplines to support the implementation of its regulatory oversight responsibilities.

Offshore Safety and Environmental Enforcement – The 2018 budget request includes \$192.2 million for Offshore Safety and Environmental Enforcement programs, primarily for conventional energy activities. The BSEE will continue to work collaboratively with the Bureau of Ocean Energy Management on establishing appropriate permitting and oversight processes for offshore renewable energy projects that promote safe operations.

The 2018 request will allow BSEE to continue to enhance 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 organiza-

tions, and other governmental agencies will enhance the knowledgebase of technical personnel related to innovative technologies, appropriate regulatory application, real-time monitoring capabilities, and risk-based decision making for safety and environmental enforcement.

The 2018 request includes a \$1.2 million increase for technical training. This funding will expand staff development efforts for BSEE's inspector, engineer, and geoscientist workforce to ensure staff have the tools needed to streamline permitting, while at the same time promoting environmentally responsible development. These programs will provide BSEE's workforce with the most up-to-date training available to keep pace with the technological advances in the field and make use of new and emerging tools available to them.

The BSEE is also proposing a \$3.5 million transfer from the Environmental Enforcement Activity to the Operations, Safety and Regulations Activity in the 2018 budget. This transfer more accurately aligns the environmental compliance and enforcement goals of this activity by supporting the increased role of the BSEE inspectors in verifying environmental compliance activities in the field as well as the work performed by engineers in assessing the proper structure removals and well abandonments as part of the decommissioning process. The inspector's initial work is an essential first step, the completion of which allows the environmental compliance staff to proceed with a compliance evaluation with mitigation measures as part of the lease and permit process.

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 decision making on methods and equipment needed 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 testing and training activities. Located in Leonardo, New Jersey, the Ohmsett testing 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 2018 budget proposes \$12.7 million for Oil Spill Research, a decrease of \$2.2 million from 2017. The request will address key knowledge and technology gaps in oil spill response, focusing on deepwater and arctic environments.

Fixed Costs – Fixed costs of \$1.7 million are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2018 Request with 2017 CR Baseline

	2017 CR		2018 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Offshore Safety and Environmental Enforcement .	734	92,067	734	99,311	0	+7,244
Oil Spill Research	22	14,871	22	12,700	0	-2,171
Subtotal, Current	756	106,938	756	112,011	0	+5,073
Offsetting Collections	125	97,344	125	92,871	0	-4,473
TOTAL, BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT (w/ oc).....	881	204,282	881	204,882	0	+600

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Offshore Safety and Environmental Enforcement

	2016 Actual	2017 CR	2018 Request	Change
Environmental Enforcement				
Appropriation.....	3,027	2,676	1,568	-1,108
Offsetting Collections	5,287	5,277	2,885	-2,392
Subtotal, Environmental Enforcmnt.	8,314	7,953	4,453	-3,500
Operations, Safety and Regulation				
Appropriation.....	72,913	70,747	72,532	+1,785
Offsetting Collections	72,041	74,207	78,529	+4,322
Subtotal, Ops, Safety, and Reg.....	144,954	144,954	151,061	+6,107
Administrative Operations				
Appropriation.....	6,016	6,039	10,505	+4,466
Offsetting Collections	12,252	12,229	7,845	-4,384
Subtotal, Administrative Ops.....	18,268	18,268	18,350	+82
Executive Direction				
Appropriation.....	12,594	12,605	14,706	+2,101
Offsetting Collections	5,642	5,631	3,612	-2,019
Subtotal, Executive Direction	18,236	18,236	18,318	+82
Total Appropriation	94,550	92,067	99,311	+7,244
Total Offsetting Collections	95,222	97,344	92,871	-4,473
TOTAL APPROPRIATION	189,772	189,411	192,182	+2,771

Detail of Budget Changes

	2018 Change from 2017 CR		2018 Change from 2017 CR
TOTAL APPROPRIATION	+2,771		
Environmental Enforcement.....	-3,500	Administrative Operations.....	+82
General Program Activity	-82	Fixed Costs	+82
Internal Transfer to Operations, Safety, and Regulation.....	-3,500	Executive Direction.....	+82
Fixed Costs	+82	Fixed Costs	+82
Operations, Safety and Regulation.....	+6,107	Subtotals for Changes Across Multiple Subactivities	
Technical Training	+1,168	Fixed Costs	[+1,685]
Internal Transfer from Environmental Enforcement.....	+3,500		
Fixed Costs	+1,439		

APPROPRIATION: Oil Spill Research

	<u>2016 Actual</u>	<u>2017 CR</u>	<u>2018 Request</u>	<u>Change</u>
TOTAL APPROPRIATION	14,899	14,871	12,700	-2,171

Detail of Budget Changes

	<u>2018 Change from 2017 CR</u>
TOTAL APPROPRIATION	-2,171
Research.....	-2,171