BSEE’s “Equipment Subject to BAST Assessment” Process

September 1, 2020

“To promote safety, protect the environment and conserve resources offshore through vigorous regulatory oversight and enforcement.”
BSEE Mission Statement

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Background

The Outer Continental Shelf Lands Act (OCSLA), section 21 (43 U.S.C. § 1347(b)), states that the Secretary of the Interior “shall require, on all new drilling and production operations and, wherever practicable, on existing operations, the use of the best available and safest technologies which the Secretary determines to be economically feasible, wherever failure of equipment would have a significant effect on safety, health, or the environment, except where the Secretary determines that the incremental benefits are clearly insufficient to justify the incremental costs of utilizing such technologies.”

BSEE has developed an Equipment Subject to BAST (ESTB) assessment process. This information packet is a description of what BSEE will do to implement the process.

BID 2019-107N – Drilling Equipment Subject to the BAST Statutory Requirement and their corresponding Performance Requirements was signed in December of 2019 and updated to version 2 (V2) in July 2020.
BSEE’s Equipment Subject to BAST Process

Governing Principles

- EStB must be physical equipment.
- The equipment has the potential to function or functions as a primary barrier, secondary barrier, or is non-barrier equipment that is part of the safety system and mitigates against a potentially undesirable event (we will call this a mitigator).
- Equipment failure could result in a significant effect.
- The equipment must be proven, available, and ready to assess.
6 Steps – 5 process steps and 1 implementation step.

- BSEE has developed detailed processes for how it will execute each step.
- EStB process focuses on what the equipment should be able to do, not how the equipment accomplishes that task.
Step 1: BSEE will identify and compile a list of EStB Candidates

1. Identify and compile a list of EStB candidates
2. Solicit internal BSEE feedback on possible EStB candidates
3. Compile a list of EStB candidates
4. Select BSEE SMEs for participation in EStB review process
5. Define the EStB candidates and identify the parts/components of the candidates

Step 2: Screen each EStB Candidate and compile the list of calendar year EStB
Step 2: BSEE will screen each EStB candidate and compile the Calendar Year EStB List

- Detailed screening of the EStB candidates to ensure they meet the Governing Principles
- Prioritize EStB candidates. Create list of preliminary EStB
- Public comment period on the preliminary EStB
- Review public comments and finalize the list of calendar year EStB

Step 3: Determine the performance requirements for the calendar year EStB

Move candidates that don’t pass screening to a different BSEE program
Step 3: BSEE will determine the performance requirements for the *Calendar Year EStB*

- BSEE drafts performance requirements for *calendar year EStB*
- Public engagement session on performance requirements with external SMEs
- Public comment period on performance requirements
- Review public comments and finalize performance requirements

Step 4: Perform a gap assessment of the BSEE regulations
Step 4: BSEE will perform a gap assessment of the BSEE regulations

- Assess gaps between the performance requirements and regulatory requirements
  - Regulations are sufficient
  - Regulations partially cover PRs
  - Regulations are absent

- Document identified gaps

Step 5: Gap closure recommendations, economic analysis of recommendations, and finalize EStB report
Step 5: BSEE will conduct an economic analysis of recommendations and finalize an EStB Report

Step 5: Gap closure recommendations, economic analysis of recommendations, and finalize EStB report

- BSEE SMEs develop gap closure recommendations
- Economist(s) perform an economic analysis on the gap closure recommendations
- Submit a draft EStB Report to the BSEE Director for review
- Finalize the calendar year Equipment Subject to BAST Report

Step 6: Implementation of gap closure recommendations and monitoring
Step 6: BSEE will implement gap closure recommendations and monitoring

- Preferred implementation method is new or revised regulation
- Monitor EStB for changes in performance requirements, reliability, incident rate

Begin next cycle at Step 1
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