

FACT SHEET



Production Safety Systems FINAL Rule

The Bureau of Safety and Environmental Enforcement is amending and updating current regulations regarding production safety systems and equipment that is used to collect and treat oil and gas from Outer Continental Shelf (OCS) leases. The final rule addresses recent technological advances involving production safety systems, subsurface safety devices, safety device testing, and life cycle analysis. Production safety systems play a critical role in protecting personnel and the environment. This rule will help to reduce the number of production incidents resulting in oil spills, injuries and fatalities.

Background

There are more than 3,000 facilities located on the OCS that are involved in the collection and treatment of oil and gas collected from oil and gas wells. These facilities range in size and scale from unmanned single well caissons to huge, manned deepwater facilities containing state of the art technology. All of the facilities contain equipment, sensing devices, and control systems to ensure that the oil and gas can be moved from the well to a pipeline or other transport in a safe and environmentally protective manner.

This final rule will revise 30 CFR Part 250, Subpart H - Oil and Gas Production Safety Systems, and make the first comprehensive changes to this subpart of the regulations since 1988. This regulatory action will ensure that the regulations are keeping pace with industry's recent technological advancements, which often rely on the use of equipment that is located on the seabed. These new technologies are more complex than those that were traditionally used for shallow water drilling on shelf areas, where safety equipment was traditionally placed on the rig itself, rather than on the seafloor. With the shift to deeper water in the past decade, more specialized requirements and regulations are required for these newer and emerging safety technologies.

Changes to the Current Rules

The final Subpart H revisions will:

- Completely restructure Subpart H to have shorter, easier-to-read sections, address specific operating requirements for subsea production systems, and update and expand the industry technical standards that are incorporated by reference;

- Contain regulatory language concerning the use of best available and safest technology (BAST) that is consistent with the Outer Continental Shelf Lands Act's statutory mandate;
- Clarify the operator's regulatory obligations related to life cycle analysis of critical equipment. Life cycle analysis is the control and traceability of a wide range of activities during the service life of the equipment, ranging from design verification to repair and maintenance. The requirements have previously been included in standards that are incorporated by reference into BSEE regulations;
- Add rigorous design and testing requirements for boarding shut down valves, as they are among the most critical components of the subsea system. These valves allow hydrocarbon flow to a facility to be stopped in an emergency. These new requirements will ensure the maximum level of safety for personnel located on the production facility;
- Add new inspection and repair requirements for tube type heaters. These heaters are used in the treatment process to help to separate water and oil. Failure of this equipment to be properly inspected and maintained has resulted in several incidents in recent years;
- Prohibit the installation of single bore production risers from new floating production facilities. BSEE believes that this technology does not provide an acceptable level of safety since the integrity of the riser may be compromised when operations are performed;
- Codify existing BSEE policy and guidance related to deepwater production equipment and systems to make sure they represent best practices, that the regulatory process is transparent, and that the requirements are enforceable;
- Require that documentation/schematics are certified by registered professional engineers (based on the Atlantis investigation); and
- Increase allowable leakage rates for certain contained safety valves to ensure consistency with industry standards and to reduce risks created by replacing these valves in deepwater and subsea applications. Because these valves are contained, the increased allowable leakage rates will not result in any increase in hydrocarbons released into the environment.

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