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MMS Needs More Data to Assess Safety and Environmental Management Program

The U.S. Department of the Interior's Minerals Management Service (MMS) announced today that additional information is needed before it decides whether offshore lessees should be allowed to continue voluntarily adopting the Safety and Environmental Management Program (SEMP). That decision is expected in mid-1997.

SEMP -- a safety systems management model designed around offshore natural gas and oil exploration and development activities -- was introduced in July 1991 by MMS. Operators working offshore asked the agency for a chance to develop SEMP and voluntarily adopt it. After the American Petroleum Institute (API) published Recommended Practice 75 (RP75) in May 1993, which generally captured the basic rudiments of what a SEMP should contain, MMS pledged a two-year moratorium on regulatory activity related to SEMP while it monitored the voluntary adoption of RP75 by offshore operators.

"Finding and producing energy offshore is not a sedentary exercise; it has inherent risks," said MMS Director Cynthia Quarterman. "The SEMP concept was created to address the contribution of human and organizational error to accidents. By some estimates, these factors are the root cause of up to 80 percent of all accidents."

According to Quarterman, studies indicated that operators focused more on compliance with government regulations than in systematically identifying and mitigating risks posed by their operations. "SEMP places the responsibility of protecting people, facilities and the environment on the operators," she declared.

To gauge how well operators were implementing SEMP, MMS joined with industry to conduct surveys in January 1995 and January 1996. "The surveys showed that as a whole, operators are well on their way to implementing SEMP plans they've been developing during the past two years," Quarterman said. "But we've concluded that we need another year of data collection to ascertain whether this regulatory approach will be a success.

"If the industry continues this rate of progress," declared Quarterman, "SEMP plans will be fully implemented in the field within the next year or two. In the interim, MMS will work to broaden voluntary implementation; promote greater understanding of SEMP through workshops; accelerate field-level implementation of SEMP plans; and develop reliable, commonly-defined measures of performance. We're also going to continue meeting with operators to discuss their SEMP plans, and talk to field-level personnel during our routine inspections of their facilities."

MMS is the federal agency that manages the Nation's natural gas, oil, and other mineral resources on the Outer Continental Shelf, and collects, accounts for, and disburses about \$4 billion in revenues from offshore mineral leases and from onshore mineral leases on federal and Indian lands.

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