Safety at All Levels, at All Times

Houston Shipping Conference

“Targeting Opportunities in the Oil and Gas Sector”

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Safety at All Levels, at All Times

• Overview
  – Deepwater Horizon response
  – Enhanced safety measures
  – Regulatory priorities
  – Enhanced oil spill response preparedness
  – The way ahead
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• *Deepwater Horizon*
  – 11 deaths
  – Nearly 5 million barrels of oil spilled

• DOI Response
  – Reorganization of MMS
  – Comprehensive regulatory reform
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- **Enhanced Drilling Safety**
  - Final Drilling Safety Rule
  - Subsea containment
  - New standards for well design, casing, cementing

- **Enhanced Workplace Safety**
  - Performance-based standards
  - Safety and Environmental Management System
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- **Regulatory Priorities**
  - SEMS II
  - Next-Gen blowout preventers
  - Production safety systems / lifecycle analysis

- **Updated Policies / Guidance**
  - Contractor compliance
  - Oil Spill Response Plan guidance
Enhanced Oil Spill Response

• **Oil Spill Response Plan Guidance**
  – Focus on overall response strategy
  – May include (as appropriate)
    • Use of aerial and subsea dispersants
    • Technologically advanced mechanical response equipment vessels with more effective recovery rates
    • *In situ* burning
    • Surveillance equipment, such as X-Band Radar, that would make night operations possible
  – Encourages use of Best Available and Safest Technologies
Enhanced Oil Spill Response

• Gulf of Mexico Deepwater Containment Exercise
  – First-ever, full-scale deployment exercise for capping stack system, similar to the device that stopped the flow of oil from the Macondo well
  – Marine Well Containment Company Capping Stack Deployment
    • About 200 miles offshore Texas
    • Connected to simulated well head nearly 7,000 feet below surface
    • Pressurized to 10,000 pounds per square inch
  – Planning similar exercise to test Helix Well Containment Group system
The Way Ahead

**BSEE 2015**

- Using the full range of authorities, policies, and tools to compel safety, emergency preparedness, environmental responsibility, and appropriate development and conservation

  - The hybrid approach: Prescriptive + Performance

- Build and sustain the organizational, technical, and intellectual capacity within and across BSEE’s key functions that:

  - Keeps pace with OCS industry technological improvements
  - Innovates in regulation and enforcement
  - Reduces risk through systemic assessment and regulatory and enforcement actions.
The Way Ahead

**BSEE 2015**

- Bolstering the workforce
  - 166 new staff onboard in FY2012
  - Will hire an average of 8 per month in 2013
  - Focusing on critical fields in technology and science: inspectors, engineers, geologists

- Enhancing capabilities
  - Technical Information Management System (TIMS)
    - Assessing future development to maximize use of technology to increase efficiency / transparency
  - E-Inspections within TIMS
    - Replacing out dated paper process
    - Inspectors will have immediate access to procedural, policy, and regulatory reference material