Offshore Technology Conference

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Overview

- State of the OCS
- Safety Culture Policy
- SEMS II
  - Key Updates to 2010 Rule
  - Audits
- Shared Responsibilities with USCG
  - Close Collaboration
  - MOA
  - RADM Servidio
Updates from OTC 2012

- Drilling Safety Rule
- BOP Forum
- Deployment Drills
- Oil Spill Response Plans
- BSEE Hiring
- OESC Recommendations
- Shell Arctic Review
Offshore Activity

• Increased activity on the OCS
• 112 Deepwater New Well Permits issued in 2012; most in over seven years.
• 51 GOM rigs
• Operator-driven safety program with BSEE oversight
  – Industry and Government must work together
  – Hybrid strategy that is both flexible and strategic
    • Combination of performance management and prescriptive when necessary
  – The human factor is one of the largest variables in a safe offshore program
Safety Culture Policy

• Safety Culture Policy: Characteristics
  – Leadership safety values and actions
  – Hazard identification and risk management
  – Personal Accountability
  – Work Processes
  – Continuous Learning
  – Environment for raising concerns
  – Effective safety communications
  – Respectful work environment
  – Inquiring attitude
• Final Rule
  Published April 15, 2013
  – Greater Employee Participation
  – Empowering field level personnel with safety management decisions
  – Strengthening oversight
Key Changes to SEMS II

- Stop work authority
- Ultimate work authority
- Employee participation
- Reporting guidelines
- Job safety analysis
- Independent audits
Audits

- Audits should be performance based and used to drive continuous improvement
- First SEMS audit due to BSEE no later than November 15, 2013
- All audits after June 15, 2015 will need to be completed by accredited third party
BSEE Responsibilities

- BSEE will continue to exercise safety and environmental enforcement functions
  - OCS operations
  - Permitting
  - Inspections and investigations
  - Enforcement
  - Penalties
  - Research
• OCS is a shared regulatory space
  – Memorandum of Understanding between BSEE and USCG was signed November 29, 2012
  – BSEE and the US Coast Guard have been working closely to coordinate and align safety programs
• New Memorandum of Agreement specific to safety management
  – Establishes a process for determining jurisdiction within BSEE and USCG
  – Ensures that future OCS safety and environmental management regulations do not place inconsistent requirements on industry
  – Establishes a process for developing joint policy and guidance
BSEE / USCG – One Voice

• Joint Approach
  – Response Working Group
  – Prevention Working Group
  – Alignment of activities and regulatory projects
  – Continuous exchange of information
  – Interagency cross-training
  – Updating/revising MOA’s
USCG – Moving Forward

• Investigation/Reports:
  – ISPR Report
  – Joint Investigation Report

• Competency & Capacity:
  – Enhanced training
  – Resource assessment
  – Targeted oversight
One Gulf, One Standard

• OCSLA, MTSA, DPA
  – Safety of life and property, protection of the environment, and maritime security

• U.S. Coastal State Authority
  – Prescribes condition that must be satisfied to conduct OCS activities
  – Ensures an equal level of safety
  – Accounts for differences in Flag Administration requirements and interpretations
Safety, Security and Environmental Protection

• Partnership and Outreach
  – Alignment with Industry and regulatory agencies
  – Involvement in consensus standard organizations

• Development and Implementation
  – Use of International, Industry and Class Society standards
  – Focus on key safety issues/systems
USCG – Changes Since OTC 2012

- Dynamic Positioning Guidance
- Hazardous Areas Equipment Guidance
- Worst Case Discharge for offshore facilities
- Accommodation Service Vessel Outreach
- Equipment/Training/Drills