



# BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT

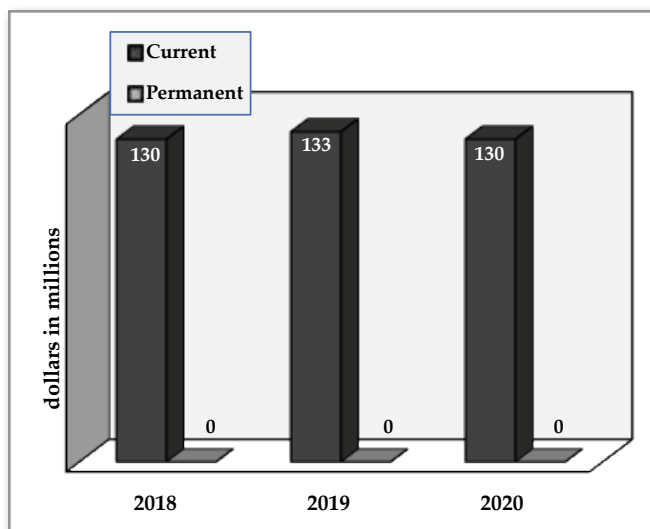
**Mission**—The mission of the Bureau of Safety and Environmental Enforcement (BSEE) is to ensure the safe and environmentally sustainable exploration, development, and production of America’s offshore energy resources through regulatory oversight and enforcement.

**Budget Overview**—The 2020 budget request for BSEE is \$200.5 million, including \$129.9 million in current appropriations and \$70.6 million in offsetting collections from rental receipts, cost recoveries, and inspection fees. Total funding assumes the cancellation of \$5.0 million in prior year balances. BSEE staffing will equal 881 full-time equivalents (FTEs) in 2020, including 125 FTEs that are fully reimbursed from other accounts to provide Department-wide shared services.

**Program Overview** —The Outer Continental Shelf (OCS) is a vital national resource. As outlined in the Outer Continental Shelf Lands Act (OCSLA), this resource should be available for development, with all developmental activities conducted in a safe and environmentally sustainable manner. BSEE was established on October 1, 2011, and is focused on encouraging robust, safe, and environmentally sustainable energy production that upholds the requirements of OCSLA.

BSEE pursues this objective by continuously improving mission delivery impacting the OCS operational environment. That is done through efficient permitting, setting appropriate standards and regulations, effective compliance monitoring and enforcement, technical assessments, inspections, and incident investigations. As a steward of the Nation’s OCS oil, gas, and mineral resources,

## BSEE Funding



the Bureau protects Federal royalty interests by ensuring oil and gas production methods maximize recovery from underground reservoirs. Although BSEE mitigates oil spill risks through a focused prevention program, it emphasizes the private sector must be prepared with the best plans, equipment, and training to respond to oil spills associated with their facilities when they occur. In addition, BSEE places great emphasis on enhancing and supporting safe and streamlined processes throughout the oil, gas, and mineral resources industry.

BSEE’s ability to recognize, assess, manage, and ensure appropriate mitigation of operating risks throughout all offshore activities is critical to maintaining a predictable environment for the long-term investments required to support OCS energy development. These abilities also allow BSEE to efficiently and effectively target the use of its resources.

## BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT FACTS

- Established October 1, 2011.
- Conducts more than 20,000 inspections per year to ensure the safe and environmentally responsible operation of approximately 1,900 offshore oil and gas drilling and production facilities and 27,000 miles of pipelines.
- Operates the largest facility in the United States that can test oil spill response equipment with a variety of crude oils and refined petroleum products under reproducible marine conditions.
- Conducts studies to continuously improve operational safety and pollution prevention related to offshore oil and natural gas exploration and development and renewable energy facilities.
- Promotes safe, environmentally sustainable, and robust production from the OCS through efficient permitting, appropriate standards and regulations, compliance monitoring and enforcement, technology assessments, response planning, and incident investigations.

BSEE continues to adapt its oversight approaches as offshore operations expand and move into environments requiring the use of new technologies. BSEE has established programs to identify, evaluate, and promote emerging technologies that aim to mitigate the risk of offshore energy operations while increasing safe and environmentally responsible operations. Consistent with its 2019–2022 Strategic Plan, BSEE is implementing key management tools focused on creating an organization that has strong and smart programs and processes moving forward. BSEE is working to improve and streamline processes; ensure the efficient use of resources within BSEE; develop an accountable, competent, and engaged workforce; and integrate effective stakeholder engagement. Specifically, BSEE is incorporating a risk-based inspection protocol in its inspection strategy; evaluating the permitting processes and timeframes to ensure the efficient use of resources and that permitting functions are attuned with program needs; addressing recommendations from the Government Accountability Office, the Inspector General, and other outside organizations; and developing a human capital operating plan to advance the Bureau's workforce.

The BSEE budget request fully supports the development of the Nation's vast offshore energy resources in a safe and environmentally sustainable manner. Funds will be used to recruit, train, and retain expert engineers, geoscientists, and inspectors; oil spill planning, prevention, and response specialists; and employees from other disciplines

to support implementation of BSEE's regulatory oversight responsibilities.

**Offshore Safety and Environmental Enforcement**—The 2020 budget request supports a total program of \$192.8 million for Offshore Safety and Environmental Enforcement programs. This total consists of \$122.2 million in appropriated funds, offsetting rental receipt and cost recovery collections of \$27.1 million, and inspection fee collections of \$43.5 million. Total appropriated funding is partially offset by the cancellation of \$5.0 million in prior year balances.

BSEE funding primarily supports work related to conventional energy development facilities. BSEE will continue to work collaboratively with the Bureau of Ocean Energy Management to establish appropriate permitting and oversight processes for offshore renewable energy projects that promote safe operations.

The 2020 request enables BSEE to continue to enhance oversight, regulatory, and research capabilities on the OCS by building and sustaining staff capacity. Outreach and dialogue with stakeholders from academia, industry, non-governmental organizations, and other governmental agencies enhances the knowledge base of technical personnel related to innovative technologies, appropriate regulatory application, real-time monitoring capabilities, and risk-based decision making for safety and environmental enforcement.

The 2020 request includes \$5.5 million so BSEE can further expand its Risk-Based Inspection (RBI) program in order to focus inspection resources on higher-risk facilities; enhancing the monitoring of facility and operational risk profiles; ensuring companies are adequately assessing risks; and developing the means for the continued improvement in risk management offshore to improve safety. BSEE is committed to ensuring its inspection program operates at the highest level of effectiveness, while continuously exploring ways to increase the overall efficiency of the program. The inspection program includes review of documentation provided by the offshore operator and the physical inspection of components. Outside of salary costs, helicopter costs are the largest cost driver of the inspection program. BSEE has identified ways to eliminate underutilized aircraft and reduce helicopter time and costs by changing its inspection strategy. These changes have enabled more onshore review of documentation and efficient deployment of inspectors to increase the amount of time inspectors are able to spend offshore conducting critical physical inspections.

**Oil Spill Research**—This program supports research on the prevention and response to oil pollution as authorized by the Oil Pollution Act of 1990. The Oil Spill Research program plays a pivotal role by initiating applied research to support decision making on the methods and equipment needed to prevent or mitigate oil spills, a critical component of the offshore permitting process. Funds are used to sponsor testing of new equipment or methods and to support Ohmsett testing and training activities. Located in Leonardo, NJ, the Ohmsett testing facility is the only one of its type in the world, providing full-scale equipment and methodology testing for offshore spills in a safe, controlled environment.

The 2020 budget proposes \$12.7 million for Oil Spill Research. The request will address key knowledge and technology gaps in oil spill response, focusing on deepwater and Arctic environments.

**Fixed Costs**—Fixed costs of \$943,000 are fully funded.

**SUMMARY OF BUREAU APPROPRIATIONS**  
(all dollar amounts in thousands)

*Comparison of 2020 Request with 2019 CR*

	2019 CR		2020 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Offshore Safety and Environmental Enforcement <sup>11</sup> .....	734	118,522	734	117,212	0	-1,310
Oil Spill Research .....	22	14,899	22	12,700	0	-2,199
Subtotal, Current .....	756	133,421	756	129,912	0	-3,509
Offsetting Collections .....	0	67,889	0	70,600	0	+2,711
Allocation and Reimbursable						
Reimbursable .....	125	0	125	0	0	0
Subtotal, Allocation and Reimbursable.....	125	0	125	0	0	0
<b>TOTAL, BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT (w/ oc) .....</b>	<b>881</b>	<b>201,310</b>	<b>881</b>	<b>200,512</b>	<b>0</b>	<b>-798</b>

<sup>11</sup> The 2020 request for the Offshore Safety and Environmental Enforcement account reflects a cancellation of \$5.0 million in prior year balances.

**HIGHLIGHTS OF BUDGET CHANGES**  
*By Appropriation Activity/Subactivity*

**APPROPRIATION: Offshore Safety and Environmental Enforcement**

	2018 Actual	2019 CR	2020 Request	Change
Environmental Enforcement				
Appropriation.....	1,568	2,163	1,954	-209
Offsetting Collections.....	2,885	2,495	2,804	+309
Subtotal, Environmental Enforcement..	4,453	4,658	4,758	+100
Operations, Safety and Regulation				
Appropriation.....	91,975	90,233	95,164	+4,931
Offsetting Collections.....	56,479	55,477	56,647	+1,170
Subtotal, Operations, Safety and Regulation.....	148,454	145,710	151,811	+6,101
Administrative Operations				
Appropriation.....	8,923	11,258	10,514	-744
Offsetting Collections.....	7,845	6,792	7,636	+844
Subtotal, Administrative Operations....	16,768	18,050	18,150	+100
Executive Direction				
Appropriation.....	13,124	14,868	14,580	-288
Offsetting Collections.....	3,612	3,125	3,513	+388
Subtotal, Executive Direction.....	16,736	17,993	18,093	+100
TOTAL APPROPRIATION (w/o oc).....	115,590	118,522	122,212	+3,690
Total Offsetting Collections .....	70,821	67,889	70,600	+2,711
TOTAL APPROPRIATION (w/ oc) .....	186,411	186,411	192,812	+6,401
Cancellation of Prior Year BA.....	0	0	-5,000	-5,000
TOTAL APPROPRIATION (w/ oc and cancellation) .....	186,411	186,411	187,812	+1,401

**Detail of Budget Changes**

	2020 Change from 2019 CR		2020 Change from 2019 CR
TOTAL APPROPRIATION .....	+1,401		
Environmental Enforcement .....	+100	Executive Direction.....	+100
Fixed Costs .....	+100	Fixed Costs .....	+100
Operations, Safety and Regulation.....	+6,101	Cancellation of Prior Year BA.....	-5,000
Risk-based Inspections .....	+5,458		
Fixed Costs .....	+643	Subtotals for Changes Across Multiple Subactivities	
Administrative Operations .....	+100	Fixed Costs .....	[+943]
Fixed Costs .....	+100		

**APPROPRIATION: Oil Spill Research**

	<u>2018 Actual</u>	<u>2019 CR</u>	<u>2020 Request</u>	<u>Change</u>
TOTAL APPROPRIATION .....	14,899	14,899	12,700	-2,199

*Detail of Budget Changes*

	<u>2020 Change from 2019 CR</u>
TOTAL APPROPRIATION .....	-2,199
Research.....	-2,199