



Salazar, Bromwich Announce Next Steps in Overhaul of Offshore Energy Oversight and Management

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**WASHINGTON, D.C.** - Secretary of the Interior Ken Salazar and Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) Director Michael R. Bromwich today announced the structures and responsibilities of two new, independent agencies that will carry out the offshore energy management and enforcement functions once assigned to the former Minerals Management Service (MMS).

Salazar and Bromwich also announced that they are establishing a permanent advisory body through which the nation's leading scientific, engineering, and technical experts will provide input on improving offshore drilling safety, well containment, and spill response. Secretary Salazar has asked former Sandia National Laboratory Director Tom Hunter to lead the body, which will be called the Offshore Energy Safety Advisory Committee (Safety Committee).

"We are moving ahead quickly and responsibly to establish the strong, independent oversight of offshore oil and gas drilling that is needed to ensure that companies are operating safely and in compliance with the law," said Secretary Salazar. "With Director Bromwich's leadership, the recommendations of the National Commission on the BP Deepwater Horizon Oil Spill, and other outside guidance, we are making swift progress in implementing the reorganization plan we put in motion last year. With the leadership of Dr. Tom Hunter, we will also bring together the top minds inside and outside government to help ensure that regulations, safety standards, and well containment capabilities never again fall behind drilling technology and practices."

"The former MMS was saddled with the conflicting missions of promoting resource development, enforcing safety regulations, and maximizing revenues from offshore operations," said Director Bromwich. "Those conflicts, combined with a chronic lack of resources, prevented the agency from fully meeting the challenges of overseeing industry operating in U.S. waters. The reorganization is designed to remove those conflicts by clarifying and separating missions across the three agencies and providing each of the new agencies with clear missions and new resources necessary to fulfill those missions."

On May 19, 2010, Secretary Salazar signed a Secretarial Order that divided the three conflicting missions of MMS into separate entities with independent missions. MMS was renamed BOEMRE in mid-June as Director Bromwich was sworn-in, to more accurately describe the scope of the organization's oversight. On October 1, 2010, the revenue collection arm of the former MMS became the Office of Natural Resources Revenue.

Secretary Salazar and Director Bromwich today detailed the structure of the two bureaus that will separately house: 1) the resource development and energy management functions of BOEMRE, and 2) the safety and enforcement functions of BOEMRE.

The new Bureau of Ocean Energy Management (BOEM) will be responsible for managing development of the nation's offshore resources in an environmentally and economically responsible way. Functions will include: Leasing, Plan Administration, Environmental Studies, National Environmental Policy Act (NEPA) Analysis, Resource Evaluation, Economic Analysis and the Renewable Energy Program.

The new Bureau of Safety and Environmental Enforcement (BSEE) will enforce safety and environmental regulations. Functions will include: All field operations including Permitting and Research, Inspections, Offshore Regulatory Programs, Oil Spill Response, and newly formed Training and Environmental Compliance functions.

Secretary Salazar and Director Bromwich said that the reforms announced today strengthen the role of environmental review and analysis in both BSEE and BOEM through various structural and organizational mechanisms. Those include:

- The creation of a first-ever Chief Environmental Officer in BOEM;
- · Separating Environmental reviews from Leasing in the regions in BOEM;
- The development of a new Environmental Compliance and enforcement function in BSEE; and
- More prominent Oil Spill Response Plan review and enforcement in BSEE.

The Department plans to have the re-organization fully implemented by October 1, 2011.

Separate and apart from the two independent bureaus BSEE and BOEM, the Offshore Energy Safety Advisory Committee (Safety Committee) will advise the Director and the Secretary on a variety of issues related to offshore energy safety, including drilling and workplace safety, well intervention and containment, and oil spill response. The Safety Committee also will facilitate collaborative research and development, training and execution in these and other areas relating to offshore energy safety.

The Committee will have 13 members representing federal agencies, industry, academia, national labs, and various research organizations. Former Sandia National Laboratory Director Dr. Tom Hunter, who Secretary Salazar has asked to serve as Chairman of the Advisory Committee, was a critical member of the scientific team deployed to assist with the containment and capping of the Macondo well. A federal register notice soliciting nominations will be published soon.

For a fact sheet on the BSEE-BOEM separation, click here.

For the Secretary's speech, click here.

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