BUDGET JUSTIFICATIONS

The United States Department of the Interior

and Performance Information
Fiscal Year 2025

BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT

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BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT

FY 2025 Budget Justification

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Bureau of Safety and Environmental Enforcement

Director's Preface

The Bureau of Safety and Environmental Enforcement (BSEE) promotes safe and environmentally responsible oil, gas, and renewable energy development offshore through vigorous regulatory oversight and enforcement operations that protect the environment and conserve natural resources. BSEE's strategic goals reflect the Bureau's commitment to people, protection, sustainability, and resiliency that is data-driven and transparent through engagement with various audiences.

BSEE's FY 2025 Budget Request fully supports President Biden's priority for tackling the climate crisis and increasing renewable energy production safely and responsibly. The request also supports the President's goals of deploying 30 gigawatts (GW) of offshore wind capacity by 2030 and 15 GW of floating wind capacity by 2035. The FY 2025 request continues to underpin BSEE's Renewable Energy Program by enabling timely and rigorous industry plan and permit reviews, creating a robust compliance verification and assurance program, and demonstrating BSEE's commitment and leadership to drive safe performance and the protection of marine environmental, cultural, and biological resources on the Outer Continental Shelf (OCS). BSEE's FY 2025 budget will continue to focus attention on priority areas, including activities to decommission orphaned wells and infrastructure, prepare for the advancement of offshore wind, establish a Carbon Sequestration Program, and bolster BSEE's Tribal Liaison Program.

BSEE must be agile and able to adapt to emerging and new technologies in conventional and renewable energy development and production on the OCS. FY 2023 saw the installation of the first offshore wind turbine for commercial wind energy production in Federal waters. BSEE has met and will continue to meet the need for safe and environmentally responsible oversight of projects, including offshore wind projects that create American jobs, mitigate climate change, and support the Administration's equity and environmental justice commitments.

The Bureau must also prepare for the potential risks these new technologies and frontiers pose. BSEE uses its expertise to develop policy and procedures and engage with industry and other stakeholders in a continuous effort to minimize injuries to workers, protect the environment, and support climate resilience. BSEE will also continue to take a whole-of-government approach with Federal partners such as the Bureau of Ocean Energy Management (BOEM) and the United States Coast Guard (USCG), and leverage industry and stakeholder cooperation to promote safe and environmentally responsible exploration, development, and production on the OCS.

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FY 2025 BUDGET JUSTIFICATION

Bureau of Safety and Environmental Enforcement

Executive Summary

Table 1: Summary of Requirements ($000)

Account Activity	2023 Actual	2024 Annualized CR	2025 President's Budget
Offshore Safety & Environmental Enforcement (OSEE)			
Environmental Enforcement	5,858	5,858	7,558
Operations, Safety and Regulation	166,943	179,679	164,584
Administrative Operations	19,292	19,292	19,775
Executive Direction	18,793	18,793	21,018
Offshore Decommissioning	3,000	3,000	12,000
Renewable Energy Operations			12,550
Total, OSEE	**213,886**	**226,622**	**237,485**
Offsetting Collections			
Offsetting Rental Receipts	-14,000	-23,272	-24,205
Cost Recovery Fees	-4,599	-5,654	-8,154
Inspection Fees	-36,010	-50,736	-49,831
Total, Offsetting Collections	**-54,609**	**-79,662**	**-82,190**
Net, OSEE	**159,277**	**146,960**	**155,295**
Oil Spill Research (OSR)	**15,099**	**15,099**	**15,099**
Current BSEE Funding (w/o Offsetting Collections)	**174,376**	**162,059**	**170,394**
Total BSEE Funding (w/ Offsetting Collections)	**228,985**	**241,721**	**252,584**
Full Time Equivalents (FTE)			
Total Direct FTE	690	801	813
Total Reimbursable FTE (Reimbursable Agreements)	129	125	125
Total FTE	**819**	**926**	**938**

As the United States' regulator of offshore energy exploration, production, and development on the OCS, BSEE promotes safety, protects the environment, and conserves resources offshore through vigorous regulatory oversight and enforcement. BSEE's jurisdictional and regulatory responsibilities are defined by the Outer Continental Shelf Lands Act (OCSLA), which defines Federal responsibility over the

submerged lands of the OCS. The Oil Pollution Act of 1990 (OPA 90) provides BSEE with additional authorities and responsibilities for oil spill research and preparedness. BSEE also ensures compliance via provisions of other Federal laws, including, but not limited to, the National Environmental Policy Act (NEPA), the Clean Air Act, the Clean Water Act, and the Federal Oil and Gas Royalty Management Act.

Underpinning BSEE's regulatory oversight and enforcement mission are BSEE's efforts to drive and support continual improvement in safety, environmental protection, and responsible offshore resource conservation through data and risk analysis, safety improvement initiatives, research, regulatory development and maintenance, standards development, stakeholder engagement, policy development and oversight, and emerging technology evaluation.

BSEE uses its full range of authorities, policies, and tools to:

- Establish standards and regulations and emphasize a culture of safety and environmental stewardship in all offshore energy activities.
- Employ a robust inspection program that includes an annual inspection strategy plus risk-based inspections.
- Review operator safety management systems to verify performance that promotes safety and protects the environment efficiently and effectively.
- Verify and enforce operator compliance with all applicable safety and environmental laws and regulations; environmental standards found in approved leases, plans, and permits; and applied mitigations and terms/conditions of approval.
- Issue enforcement actions such as Incidents of Non-Compliance (INCs), Notices of Noncompliance (NONCs), and appropriate and supportable civil penalties.
- Identify, address, and mitigate risks through a sound technical review process that addresses planned operations and emerging technologies.
- Evaluate industry oil spill preparedness by evaluating operator and developer oil spill response plans, inspecting response equipment, auditing operator and contractor training and exercises, conducting government-initiated unannounced exercises, developing and overseeing oil spill response research to advance and refine new and existing technologies and tactics, and managing Ohmsett - the National Oil Spill Response Research and Renewable Energy Test Facility.
- Fund technical and scientific research to build and sustain the organizational, technical, and intellectual capacity within and across BSEE's key functions, keep pace with the industry's technological advancements, encourage innovation in regulation and enforcement, and reduce risks through systematic assessment and regulatory enforcement actions.
- Investigate incidents, including material failures and allegations of unsafe or illegal conduct during offshore operations, and make recommendations on proactive measures to prevent future incidents.
- Develop regulations to prepare for permitting and oversight of the infrastructure required to safely transport, inject, and sequester carbon dioxide on the OCS.

Table 2: Common Energy Units and Measures

Unit/Measure	Definition
Barrel (Oil)	Equivalent to 42 U.S. gallons. One barrel of oil produces about 19 gallons of gasoline as well as a number of other petroleum products.
Cubic Foot (Natural Gas)	Equivalent to approximately 1,000 British thermal units (BTUs). The average home in the United States uses the energy equivalent of 168 cubic feet of natural gas per day.
BOE (Barrels of Oil Equivalent)	A unit of energy approximately equal to the energy contained in a barrel of oil. This measure is used to combine or compare energy from both oil and natural gas. One BOE is equivalent to 5.62 thousand cubic feet of natural gas.
Gigawatt (GW)	A unit of power equal to one billion watts.

The energy resources and activities under BSEE's jurisdiction are vast, as the OCS is an important source of energy for the U.S., with significant oil and gas production and a developing offshore wind industry. The Nation's first seven Records of Decision (RODs) have been issued for commercial-scale offshore wind projects on the OCS. BSEE is reviewing an additional 18 projects over 15 leases. These projects will help support the Biden-Harris Administration and Department of Interior goals of deploying 30 GW of offshore wind energy capacity by 2030 and 15 GW of floating offshore wind by 2035.

From January through October 2023, OCS oil and gas leases for operations offshore Alaska, California, and in the Gulf of Mexico produced approximately 566 million barrels of oil and 628 billion cubic feet of natural gas. This production accounted for approximately 15 percent of domestic oil production and 2 percent of domestic natural gas produced in the same period. Ninety-nine percent of offshore oil and gas production occurred in the Gulf of Mexico. Deepwater wells (those in greater than or equal to 1,000 feet water depth) accounted for 91 percent of all BOE produced on the OCS.

Decommissioning Conventional Energy Facilities

The shallow water areas of the Gulf of Mexico, first drilled in 1947, are mature and experiencing drastic reductions in the number of wells drilled and the oil and gas resources produced. This area of the Gulf is experiencing significant decommissioning and infrastructure removal activity that BSEE believes will continue to accelerate, leading to an increase in workload. In the Pacific Region, eight of the existing 23 platforms no longer produce oil and gas and are located on terminated leases that will not resume production. BSEE maintains a website describing the status of Pacific OCS decommissioning activities at https://www.bsee.gov/stats-facts/ocs-regions/pacific/pacific-region-federal-ocs-decommissioning.

BSEE uses the full spectrum of its regulatory authorities to ensure timely decommissioning. One tool at BSEE's disposal is the INC, which formally notifies an operator of a regulatory or lease violation and provides a timeframe for correction. For decommissioning violations, INCs may be issued to operators that have failed to decommission all lease facilities and wells within one year of the lease termination as prescribed by regulation and lease terms. Additionally, BSEE issues orders to operators to decommission facilities, wells, and pipelines on active leases that no longer have future utility. BSEE is evaluating further means of enforcement that would encourage timely decommissioning. Enforcement actions help reduce safety and environmental concerns that exist while unused infrastructure remains in the water. BSEE is streamlining processes to ensure enforcement actions are taken as expeditiously as possible.

In FY 2019, BSEE revised its guidance to the oil and gas industry on the timeliness of decommissioning activities to reduce the environmental and financial risk of idle infrastructure being damaged by the impacts from a changing climate, such as stronger and more frequent hurricanes. In FY 2022, BSEE enhanced its enforcement and civil penalty policies to address delinquent decommissioning obligations on terminated leases and rights-of-way. Implementation of the revised guidance includes BSEE communicating with oil and gas operators about their idle and lease-terminated infrastructure and ordering that further decommissioning actions be taken if necessary. In FY 2025, BSEE expects to increase compliance verification and enforcement of critical, site-clearance verification requirements to ensure the removal of debris and obstructions from locations that can impact other OCS user groups, which often include communities with environmental justice concerns. A focus in FY 2025 is continued strengthening of BSEE's decommissioning oversight capabilities to meet end-of-lifecycle demands.

Operator bankruptcies are a continuing concern for both the Bureau and taxpayers. When responsible parties for offshore infrastructure go bankrupt, decommissioning obligations may fall to American taxpayers. In January 2024, BSEE awarded its first task order to conduct initial platform inspections, perform the necessary repairs for safe platform operations, perform well diagnostic testing, and perform wellbore decommissioning on orphaned infrastructure in the Matagorda Island Area of the Gulf of Mexico. Lower energy prices in recent years have increased the frequency of operator bankruptcies (Federal Register :: Risk Management and Financial Assurance for OCS Lease and Grant Obligations). Although BOEM retains responsibility for financial assurance and tracks the financial health of OCS operators, BSEE performs inspections of a bankrupt operator's assets to ensure that appropriate monitoring of safety equipment is maintained and collaborates with BOEM personnel to work within bankruptcy proceedings to ensure funds are set aside for decommissioning. The inter-Bureau National Bankruptcy Coordination Team enhances communication and administration of bankruptcy-related matters. As required, BSEE will continue to issue contracts to perform decommissioning services on oil and gas infrastructure "orphaned" by bankrupt operators where there are no other liable parties.

Renewable Energy

In addition to regulating oil and gas operations on the OCS, BSEE now supports the development of a safe, robust, and sustainable offshore renewable energy industry in the United States through its environmental stewardship vision of meeting the Nation's energy and mineral needs without compromising the Nation's natural and cultural resources. BSEE is engaging with offshore wind developers to identify and promote best practices for ensuring worker safety and environmental protection. Engagement with industry, Federal partners—including BOEM, USCG, the National Oceanic

and Atmospheric Administration (NOAA), and non-Federal stakeholders continues to inform the development of renewable energy program functions that: (1) promote safe and environmentally responsible facility design, fabrication, installation, operation, and decommissioning; (2) implement a performance-based safety approach through a focus on Safety Management Systems; and (3) enforce compliance with all applicable safety and environmental laws and regulations. The renewable energy oversight program is performance-focused and is evolving with the rapid changes occurring in the industry. This flexibility and involvement are imperative to ensure BSEE's oversight remains diligently focused on risk and energy security.

As of November 2023, the Department has issued 27 offshore wind commercial leases off the Atlantic coast, five offshore wind commercial leases off the Pacific coast, and one off the Gulf of Mexico. Based on this activity and industry estimates, BSEE anticipates receiving over 40,000 engineering reports for review by the end of FY 2025, including facility design reports, fabrication and installation reports, and certified verification agent reports.

Carbon Sequestration

Section 40307 of the Infrastructure Investment and Jobs Act (IIJA, also known as the Bipartisan Infrastructure Law (BIL); P.L. 117-58) amended OCSLA and authorized the Department of the Interior (DOI) to administer leases, easements, and rights-of-way on submerged Federal lands for geologic sequestration (i.e., storage) of carbon dioxide, and directed DOI to promulgate implementing regulations for those activities. BSEE is partnering with BOEM to develop new regulations and create a fully formed program for oversight of carbon sequestration activities on the OCS. BOEM will be responsible for leasing and assessing the broader environmental impact of carbon sequestration, and BSEE will be responsible for the activities related to installation, operations, inspections, emergency response plans, enforcement, and decommissioning. BSEE and BOEM continue to work to develop regulations that are comprehensive and rely on the best available science and information. Both bureaus have been coordinating with internal and external subject matter experts and partnering with Federal stakeholders to inform regulatory and programmatic development. BSEE will continue its external and internal partnership efforts into FY 2025 while also building out operational oversight of the program.

Environmental Compliance

BSEE's Environmental Compliance Program takes a comprehensive approach to environmental compliance verification and enforcement with dedicated programs for water quality compliance, air quality compliance, marine trash and debris prevention and elimination, marine archaeological resources (historic and pre-historic), biological resources, marine protected species, "Rigs-to-Reefs"/artificial reef emplacement, and site clearance verification (SCV) oversight/space-use conflict. Through this program, BSEE executes compliance reviews, inspections, and enforcement actions to ensure conventional and renewable energy lessees and operators comply with all environmental laws and regulations; environmental standards included in leases, plans, and permits; and applied mitigations and terms/conditions of approval. Additionally, BSEE is committed to following the directives of Executive Order 13175 and Public Law 108-199 requiring Federal Government consultation with Tribal governments throughout the continental United States, Alaska, and Hawaii. BSEE sees its trust responsibility as a vital obligation that the Bureau has integrated into its mission, focusing on protecting

Tribal and Native lands, assets, resources, treaties, and similarly recognized rights that could be affected by BSEE actions on the OCS.

As an environmental steward, BSEE practices integrated prevention, compliance, and preparedness activities that minimize and mitigate impacts to natural, cultural, and economic resources during offshore energy and marine mineral operations. Specifically, BSEE aims to encourage a stewardship culture within the Bureau and in partnership with Tribes, the regulated community, and the broader public through innovative and meaningful engagement, science-based decision-making, and the consistent application of standards. FY 2025 funding will support the Administration's and the Department's focus on climate science and environmental justice and will be used to develop specialized environmental training opportunities, improve stakeholder understanding of BSEE roles and responsibilities, and increase engagement with Tribal Nations and communities with environmental justice considerations.

FY 2025 BUDGET REQUEST

BSEE was established on October 1, 2011, to ensure the safe and environmentally responsible exploration, development, production, and conservation of the Nation's offshore energy resources. BSEE provides effective oversight of oil, natural gas, and renewable energy activities on the OCS, promotes a culture of safety, conservation, and environmental protection, and ensures industry compliance with Federal regulations. The Bureau continues to improve its mission processes and staff capabilities to keep pace with continued innovation in OCS oil and gas exploration and production, offshore wind development, and potential carbon sequestration activities. BSEE must also address the continuously evolving risks posed by aging oil and gas infrastructure, development of new reservoirs with characteristics that challenge the latest advances in well completion and production technologies, and rapidly evolving renewable energy technology.

The 2025 budget includes important investments that will help strengthen America to be more competitive as the world's energy needs evolve. These investments include the funding to maintain a strong, talented workforce, and other must-pay requirements needed to continue to deliver BSEE's mission. The budget includes $8.1 million in the OSEE Account for the incremental amount needed to cover fixed cost requirements in FY 2024. This request in combination with the FY 2025 fixed costs amounts are needed to meet the must pay operational requirements without impacting program activities.

Transitioning DOI's vehicle fleet to zero emission vehicles (ZEVs) remains an Administration and Departmental priority. The request provides funding for coordination of ZEV activities as part of an effort to improve fleet management, more effectively manage fleet costs, and support planning needed to incorporate ZEVs into ongoing fleet management activities at BSEE. The OSEE program budget submission supports BSEE's ZEV integration as part of a DOI-wide coordination and integration effort.

Fostering Safe and Environmentally Responsible Energy Development

BSEE will continue to ensure its programs reflect the risks and account for the evolution of new technologies in both renewable energy development and in exploration and production for conventional energy on the OCS.

BSEE has established regulatory priorities and is working to advance all identified rulemaking efforts. Last year, BSEE published the Decommissioning Activities and Obligations final rule, the High-Pressure High-Temperature and Subpart B Revisions proposed rule, and the Blowout Preventer Systems and Well Control Revisions proposed and final rule. BSEE is currently working toward the publication of several other regulatory priorities, including the Oil-Spill Response Requirements for Facilities Located Seaward of the Coast Line proposed rule, the Revisions to Subpart J—Pipelines and Pipeline Rights-of-Way proposed rule, the BSEE Renewable Energy Safety proposed rule, the Standards Incorporated by Reference rule, and the joint BSEE/BOEM Carbon Sequestration proposed rule.

Renewable Energy

With the installation of the first commercial offshore wind turbines on the OCS in FY 2023 (Vineyard Wind and South Fork), the first seven RODs issued for commercial wind projects on the OCS, and successful offshore wind lease sales in the Pacific and Gulf of Mexico in FY 2023, BSEE has restructured and established new programs to ensure oversight of safe and environmentally responsible offshore wind energy projects. For several years, BSEE has closely coordinated with BOEM on multiple renewable energy projects to assess safety concerns and advance environmental compliance verification and enforcement efforts. In late FY 2022, DOI Manual Chapters were updated to transfer existing safety and environmental compliance responsibilities related to renewable energy activities and alternate uses of existing facilities from BOEM to BSEE. In January 2023, regulations for OCS renewable energy safety, environmental compliance, and regulatory enforcement were formally transferred from BOEM to BSEE in the Code of Federal Regulations. This transfer significantly increased BSEE's leadership and responsibility in OCS renewable energy development and operations. BSEE's regulatory role formally includes consultation and coordination responsibilities under multiple environmental regulations, structural assessments, verification activities, report and plan reviews, and the safety of personnel on OCS wind facilities. In FY 2025, BSEE intends to further improve the safety and enforcement under these new regulations.

BSEE's interdisciplinary team of technical and policy experts thoroughly analyzes data to identify current and emerging safety and environmental hazards related to and during OCS renewable energy operations. In FY 2025, BSEE will continue to refine its comprehensive renewable energy enforcement program, evaluating the effectiveness of the regulations, policies, and people responsible for driving safety performance. BSEE is updating its processes that identify and collect data review post-activity submittals; evaluate environmental management technologies, precautions, and techniques; and monitor and evaluate corrective actions.

In FY 2025, BSEE will continue to emphasize instituting the renewable energy program's accountability and control program, support technology and research initiatives establish data management systems, and finalize internal standard operating procedures, bureau directives, and interdependency "touchpoint" documents.

Energy Operations: Risk Assessment and Mitigation Activities

BSEE views the interaction between technology, processes, and the human element through a risk assessment and management lens. This lens provides the foundation for how BSEE regulates and enforces

standards and, therefore, how BSEE ensures the safe and responsible development of OCS energy resources.

To promote the integration of private sector investment into technology advancement, in collaboration with its partner stakeholders, BSEE undertakes technical assessments and research on new technologies designed to decrease the risks associated with offshore energy and carbon sequestration activities. In FY 2025, BSEE will continue coordinating and collaborating on joint industry–government research projects to further development of the best and safest technology that can be brought to market.

For example, BSEE and the Department of Energy fund a cooperative agreement to support the Ocean Energy Safety Institute (OESI), a consortium of academia, national laboratories, industry, and non-governmental organizations that supports the technology and workforce needed to ensure safe, secure, and sustainable development of energy offshore. In FY 2025, BSEE will continue to fund OESI research that improves safe offshore operations and advances technologies and training that increase the Nation's ability to produce energy from offshore resources.

BSEE is also expanding the Safety Performance Enhanced by Analytical Review (SPEAR) Program, with the goal of enabling innovative data analytic tools and strategic Bureau-wide processes for conventional energy. SPEAR enables BSEE subject matter experts to thoroughly analyze data to identify current and emerging safety and environmental hazards during OCS energy operations. The SPEAR Program: explores the potential use of advanced data analytic tools to support the Bureau's processes, and establishes a world-class approach to analyzing and communicating data and information throughout the Bureau and to external stakeholders. In 2022, BSEE worked on proof-of-concept initiatives to improve monitoring of sustained casing pressure and improved evaluation of corrosion on aging platforms to assist staff in focusing on more pressing cases. BSEE also worked with the National Aeronautics and Space Administration (NASA) to develop artificial intelligence tools to recognize problems in the abundance of reports on well casings and corrosion to identify indicators of problems in visual data. If successful, these approaches will improve the evaluation of expansive volumes of information and data.

Through FY 2024 and into FY 2025, BSEE will continue developing relationships across the Federal government to develop the BSEE offshore operational technology (OT) cybersecurity safety threat detection and mitigation program. These relationships with Federal partners, the intelligence community, and industry partners are key to ensuring that, as the program develops, it is equipped to inform and address OT cybersecurity risks on the OCS. In FY 2025 BSEE will continue to explore program enhancements and engagement strategies to improve and integrate a cybersecurity posture within all OCS energy activities. Additionally, BSEE has initiated efforts to develop a cybersecurity risk profile for its offshore operators. During FY 2022, BSEE began determining the vulnerabilities within OT systems utilized by a cross-section of these operators. Field assessments in FY 2024 continue the work in FY 2033 to identify strengths and weaknesses within client OT networks and provide BSEE with a snapshot of offshore operator OT vulnerabilities. This, in turn, will contribute to the development of an overall cybersecurity risk profile.

BSEE's oil and gas inspection strategy relies on a tiered approach to ensure the Bureau meets its statutory requirements, fulfills regional and national priorities, and uses its workforce effectively to inspect each offshore oil and gas facility on an annual basis. Implementation of this inspection strategy each year

allows BSEE's inspectors to conduct more efficient, thorough, and critical physical inspections of components and systems, ensuring the safety of personnel and the protection of the environment. In FY 2025, BSEE will continue to execute its Risk-based Inspection (RBI) Program, which allows for targeted inspections of higher-risk operations and facilities. RBIs use data that was analyzed in previous years to identify safety and environmental concerns and issues BSEE may perceive as a potential risk.

In FY 2025, BSEE will continue to review its permitting and inspection strategies, including their impact on operational costs for the Bureau and industry and, if needed, adjust course to ensure that program resources are focused on appropriate scrutiny of the highest risk activities. Oil and gas permitting processes are also being regularly reviewed to support timely processing and appropriate consideration of the risks and phases of development on the OCS. The continuation of robust stakeholder technical and procedural workshops along with other engagement efforts is critical to the success of these modernization and reform efforts. BSEE will continue to hold stakeholder engagement meetings, including meetings with industry association groups, to provide updates on permitting procedures. Such meetings are important for providing updates on BSEE's "e-permitting" modules.

BSEE conducts analysis of INCs issued to gauge oil and gas operator performance and identify systemic issues. The National Potential Incident of Non-Compliance (PINC) List includes some PINCs within the General PINC (G-INC) category to address unsafe working conditions or equipment and other miscellaneous hazards. BSEE completed an in-depth analysis in FY 2022 into how G-INCs are being applied in the field and plans to conduct additional analysis into G-INCs throughout FY 2024 and FY 2025 to help the agency better identify, track, and address specific risks and identified trends. In addition, in FY 2023, BSEE completed an in-depth analysis of INCs and PINCs for environmental compliance violations. This effort led to the development of 45 new PINCs that better reflect BSEE's authorities and responsibilities for environmental compliance. To aid BSEE's analysis in gauging renewable energy operator performance, BSEE is preparing a Notice of Noncompliance form to issue to offshore wind energy operators that fail to comply with BSEE regulations or plan terms and conditions.

In FY 2025, the Bureau will continue formal efforts to research the application of Best Available and Safest Technologies (BAST) for conventional energy across equipment subject to the BAST requirement in section 21(b) of OCSLA. BSEE will continue to update its policies, processes, and regulations to ensure the financial and technical challenges of developing new technology are recognized and addressed.

To further encourage oil and gas operators toward a performance-based safety approach, BSEE works closely with conventional energy operators as they shift their attention from designing to implementing their Safety and Environmental Management Systems (SEMS) processes. Through this approach, BSEE leverages the capabilities and expertise of government, industry, and independent third parties to continually improve safety and environmental outcomes. BSEE utilizes directed audits, corrective action plans focused on underlying causes, and action plan follow-up to accomplish its SEMS oversight. In 2022, BSEE conducted the first BSEE-led SEMS audit assessing the effectiveness of an operator's management system, directing operator attention away from simple compliance with the individual SEMS elements and towards more disciplined management oversight of their SEMS practices. BSEE is prepared to perform additional audits for operators that have a developed SEMS program but continue to experience incidents.

BSEE's SafeOCS Program is aimed at collecting and analyzing near-miss, safety, and failure data for oil and gas well-control equipment and other safety and pollution prevention equipment. The goal of the program is to identify proactive steps to mitigate risks and ensure offshore oil and gas operations are safe, reliable, and environmentally responsible. The public-facing industry safety data dashboard was completed in January 2022, with periodic updates expected quarterly. In FY 2024 and into FY 2025, BSEE will continue to obtain statistical advice on the evaluation of daily notifications of safety events through its partnership with the Bureau of Transportation Statistics. BSEE is also examining potentially expanding the program to assist in collection and analyzing offshore wind project data to support the renewable energy performance-based oversight model.

BSEE's BSEE!Safe program uses text messaging to send links to published Safety Alerts, which are used to inform the offshore oil and gas industry of the circumstances surrounding an incident or near miss and provide recommendations to help prevent the recurrence of such incidents. BSEE!Safe is part of the Bureau's strategy to complement regulation with innovative programs, expanding the available toolbox of methods for driving safety performance and environmental stewardship improvements, and is the first instance in which a safety regulator has communicated directly with an industry workforce to ensure the distribution of critical safety information. As of December 2023, the service has more than 8,100 subscribers. BSEE is examining how this system may be refined to provide more targeted messaging service options between conventional vs. renewable energy related alerts.

BSEE provides relevant, up-to date technical training to field personnel, inspectors, scientists, and engineers through the Bureau's National Offshore Training Center (NOTC) to ensure staff have the tools and knowledge needed to accomplish the Bureau's mission safely and effectively. In FY 2023, the NOTC provided over 19,000 professional development hours of structured technical training opportunities that integrated the latest science and scientific integrity developments, technical expertise, and industry practices with prudent and rigorous safety and environmental compliance mandates. In FY 2025, BSEE plans to continue to invest significant resources to assess the current National Offshore Training Program and identify any training gaps and required competencies to support the Bureau's increased role and responsibilities in offshore renewable energy. These investments will demonstrate the Bureau's commitment to building a "best in class" technical training and certification program that will build a stronger workforce, foster innovation, and ensure safe and environmentally-sound offshore energy operations.

Among the Bureau's priorities is ensuring the public receives fair market value for resources and that fees and cost recovery are fair and reasonable. In coordination with DOI's Office of Natural Resources Revenue (ONRR), BSEE's offshore inspectors ensure that oil and gas production volumes are accurately measured and reported for the assessment of royalties owed to the American people. BSEE's measurement approval, verification, and inspection responsibilities help validate the collection of billions of dollars in royalties from offshore oil and gas resources each year.

In FY 2025, BSEE is proposing to allow the Bureau to charge a per-visit production facility inspection fee, as is done for offshore drilling rigs, rather than the current once-per-year fee that has been in place since FY 2012, as well as adjusting existing inspection fees for inflation. This will allow BSEE to recover a greater share of the actual costs incurred in overseeing these operations and reduce the direct cost to taxpayers, while providing an incentive for operators to improve safety performance and reduce the need

for follow-up inspections. The Bureau will continue to review inspection and other cost recovery fees to determine if further adjustments are needed to reduce or eliminate the potential for subsidies.

Partnerships and Collaboration

In FY 2024 and FY 2025, BSEE will continue to enhance its international collaboration efforts. BSEE places a priority on maintaining strong bilateral relationships with several international partners for both conventional and renewable energy and engages regularly with its international counterparts to promote the safe and environmentally responsible development of offshore energy resources globally. BSEE has established itself as a leader in international cooperation, actively participating in multilateral forums such as the International Regulators' Forum (IRF) (BSEE sits on the management committee of the IRF), the Arctic Offshore Regulators Forum, the International Offshore Petroleum Environmental Regulators group, and Arctic Council bodies such as the Emergency Prevention, Preparedness, and Response Working Group. BSEE's roles in preparedness activities at the international scale span work in both temperate and Arctic waters. The Bureau is taking an international leadership role to better understand the viabilities of traditional and alternative oil spill cleanup strategies in different environments.

The role of information sharing, sound science, and the independent verification and validation of processes and practices must continue to grow as the Bureau expands its collaborative efforts. In accordance with the National Technology Transfer and Advancement Act (NTTAA), BSEE frequently uses standards developed through a consensus process by standards development organizations (SDOs), with input from the oil and gas and offshore wind industries, as a means of establishing requirements for activities on the OCS. The NTTAA advised, with few exceptions, that "all Federal agencies and departments shall use technical standards that are developed or adopted by voluntary consensus standards bodies, using such technical standards as a means to carry out policy objectives or activities determined by the agencies and departments." BSEE subject matter experts actively participate on multiple standards committees for both the oil and gas and offshore wind industries. The Bureau currently incorporates, by reference, over 130 industry standards in its oil and gas regulations. BSEE's renewable energy regulations are performance based to encourage innovation and the use of industry-based consensus standards.

The Bureau values its close cooperative relationships with Federal and State partners on the OCS and is also working to strengthen resources through intra- and interagency cooperation. In FY 2023, BSEE signed an agreement with NOAA to collaborate on areas of mutual interest with respect to the OCS and environmental stewardship. Additional agreements are expected in FY 2024 and FY 2025 that outline cooperation on individual projects and activities in areas such as ocean data, environmental planning, compliance, and enforcement. In FY 2024 and FY 2025, the Bureau is planning on completing several State-level agreements regarding oil spill preparedness coordination. Also, BSEE has been involved in discussions on continuous safety improvement and safety culture policy with other Federal partners focused on high reliability organizations, such as the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the Nuclear Regulatory Commission. BSEE continues to engage in opportunities to leverage resources and share information across U.S. government agencies.

BSEE is also continuing its ongoing collaboration on oil spill preparedness and response with the USCG, a key partner in the National Response System. BSEE and the USCG meet quarterly at the headquarters and regional levels to improve oil spill preparedness and promote joint activities. In FY 2023, BSEE and

the USCG conducted 56 joint activities supporting the National Response System. The level of joint activities is expected to increase in FY 2024 and FY 2025 as offshore renewable energy project construction accelerates.

BSEE is committed to securing environmental justice and spurring economic opportunity for disadvantaged communities that have been historically marginalized and overburdened by pollution and experience underinvestment in essential services. BSEE supports the Justice40 initiative outlined in E.O. 14008, Section 223, through two covered programs: the Bureau's cooperative agreement with the University of Alaska–Anchorage to expand the professional science employment preparedness of Alaska Native Science and Engineering Program students, and BSEE's oversight of decommissioning offshore orphaned infrastructure. These programs include stakeholder engagement plans to ensure disadvantaged communities affected by BSEE's activities receive the benefits of investments in climate and clean energy and the reduction of legacy pollution. BSEE is beginning to track program expenditures that impact disadvantaged communities and consider metrics that will help track how applicable covered program benefits accrue to specific disadvantaged communities. In FY 2023, BSEE's director issued an Instructional Memorandum (IM-045, Environmental Justice Implementation) mandating Bureau decision makers increase consideration of environmental justice in program implementation and regional activities as well as advance meaningful engagement and outreach with communities potentially affected by BSEE's actions. Additionally in FY 2023, BSEE began developing its first-ever environmental justice strategy and action plan to administer environmental justice within its mission authorities. The BSEE strategy and action plan will be informed by executive orders and DOI policies and initiatives on environmental justice, Tribes, various communities and organizations with environmental justice concerns, and Federal partners. In FY 2024, BSEE programs and offices began working with BOEM, Tribes, and communities to develop a set of strategic actions and performance measures that will advance environmental justice goals within BSEE. FY 2025 resources will be crucial to supporting continued implementation, coordination, engagement, and performance tracking and reporting on BSEE's environmental justice agenda.

In FY 2023, DOI issued a suite of climate change policies through an agency-wide effort to revitalize and strengthen climate-informed decision frameworks and models for resource management decisions. In FY 2024 and 2025, BSEE will continue to collaborate on DOI-centralized efforts for long-term climate policy implementation and coordination on priorities such as climate change adaptation and mitigation, adaptive management, and Indigenous Knowledge. Also in FY 2023, the Administration announced a new Ocean Climate Action Plan, which utilizes the capability of the ocean for climate mitigation and adaptation and organizes an effort to deliver on several of the Administration's environmental priorities. The Ocean Climate Action Plan has three primary goals: 1) Create a Carbon Neutral Future, 2) Rely on Nature-Based Solutions, and 3) Bolster Community Resilience to Ocean Change. These goals are to be supported by cross-cutting priorities, principles, and actions to promote ocean health and stewardship; advance environmental justice; engage Tribal nations and indigenous peoples; strengthen outreach and engagement; accelerate and use science evidence, and knowledge; and facilitate interagency coordination and strategic planning. In FY 2024 and FY 2025, BSEE will collaborate with other Federal partners to deliver on implementation actions related to offshore wind and marine energy, offshore geologic carbon sequestration, climate-ready fisheries, aquaculture and fishing communities, and science, knowledge, and research.

Enhancing Mission Capacity and Accountability

In FY 2025, BSEE will continue strengthening its mission capacity and ensuring accountability through ongoing implementation of key management tools. This includes continued efforts by BSEE to build on its Enterprise Risk Management (ERM) framework to better integrate management initiatives such as internal control reviews, program evaluations, audits, risk assessments, policy/procedure compliance, a formal vital statistics program, and performance measures. Enhanced integration of these initiatives supports stronger communication and informed decision making within the Bureau. BSEE's regular review of internal policies and procedures further supports the need to track training, compliance, and accessibility of key policies and procedures that support achievement of Bureau strategic goals. In FY 2023, BSEE focused on a review of risks and internal governance documents to strengthen bureau-wide understanding of the importance of these foundational components. This will support efforts to advance BSEE's evaluation and evidence-building capacity. In FY 2024 and 2025, BSEE will continue to build out ERM, targeted program evaluations, and the Bureau's internal policy program to support consistency, accuracy, and accountability in the bureau's mission implementation.

BSEE understands that creating a diverse and inclusive workforce with employees who are accountable, competent, and engaged is essential to creating an efficient, highly effective organization. As such, BSEE is committed to providing the resources needed to develop its workforce. Currently, under the oversight of its Human Capital Council, BSEE develops goals, strategies, and initiatives for effective human capital management. Some of the more notable initiatives currently in progress are succession planning for priority positions, providing formal and informal leadership development across the workforce, and developing useful analytics that inform human capital planning and strategy.

BSEE is committed to promoting diversity, equity, inclusion, and accessibility (DEIA) across the Bureau. In FY 2025, BSEE will continue to work in partnership with DOI to develop and execute a plan that ensures that DOI and BSEE are models for DEIA.

Fundamental to employee and organizational success is providing the tools and infrastructure needed to accomplish day-to-day activities. One of the most important tools the Bureau and its people rely on is information technology. BSEE continues to modernize its systems to provide additional capabilities that can be used internally as well as by external stakeholders.

Oil Spill Preparedness and Research

BSEE executes an Oil Spill Preparedness Program that ensures owners and operators are prepared to mitigate substantial threats of and respond to actual oil spills from offshore facilities, including offshore wind facilities. The Program emphasizes quality training, equipment testing, periodic unannounced drills, research and development endeavors, and stakeholder engagement – all critical elements for improving spill preparedness, threat mitigation, and response measures. While BSEE mitigates oil spill risks through a program focused on incident prevention, it equally emphasizes that the offshore community must be prepared with the best oil spill response plans, equipment, people, and training to respond quickly to oil spills when they do occur to lessen damage to environmental and economic resources. The program consists of three primary and interdependent roles: preparedness verification, oil spill response research, and management of Ohmsett.

Preparedness Verification: BSEE uses multiple oversight controls to verify that energy producers are prepared to respond quickly and mitigate the impact of offshore oil spills. A critical component is the BSEE requirement for offshore facilities to be covered by an oil spill response plan (OSRP). BSEE approves OSRPs after the owner/operator of the facility has demonstrated that they have the resources and training to respond to a worst-case discharge quickly, effectively, and to the maximum extent practicable. BSEE further ensures the preparedness of the offshore community by assessing the quality and performance of response equipment listed in OSRPs, such as skimmers, pumps, booms, storage devices, and integrated fast response vessels. During annual training and exercises, BSEE requires plan holders to hone and demonstrate their understanding and skills in managing all aspects of a response, including how to mobilize both equipment and people quickly and safely.

BSEE employs Government-Initiated Unannounced Exercises (GIUEs) to verify owners/operators' ability to implement their approved OSRPs. The exercises allow the Bureau to witness and evaluate, on a no-notice basis, a plan holder's capabilities to use public and private equipment, resources, and staff to safely respond to a simulated oil spill. BSEE's Oil Spill Preparedness Division regularly plans and executes these exercises in close coordination with other BSEE offices; Federal partners such as the USCG, NOAA, and PHMSA; and State government partners, all of whom have key roles in offshore oil spill preparedness and response.

BSEE supports the critical role that Area Contingency Plans (ACPs) play within the National Response System (NRS) and their important ties to BSEE-reviewed OSRPs. The Bureau continues to work closely with sixteen Area Committees and seven Regional Response Teams (RRTs) to review and update the Offshore Facility Worst Case Discharge Scenario documentation in the Committees' respective ACPs and Regional Contingency Plans. This initiative leverages contract support and interagency coordination to ensure the plans contain realistic and informative guidance for responding to major spills from offshore facilities. The Bureau finalized updates to agreements with the States of California and Louisiana in 2022 and an agreement with Alaska in 2023. The agreements focus on coordinating compliance with 30 CFR Part 254 and State spill preparedness and response authorities. BSEE has reached out to appropriate Area Committees and RRTs to ensure interagency coordination and integration of offshore wind facilities into the appropriate NRS contingency plans. This outreach will continue through FY 2025 and the life of the projects.

As more renewable energy projects are installed and begin operations in FY 2025, BSEE will conduct OSRP reviews, response equipment inspections, and exercise and training audits on renewable energy operators to ensure they are prepared to respond to any discharge from their facilities. BSEE will also continue to work with the appropriate Area Committees and RRTs to ensure contingency plans incorporate appropriate preparedness and response information for the unique aspects of spills from renewable energy facilities.

Oil Spill Response Research: BSEE continues to implement a comprehensive, cost-effective, long-term research program dedicated to improving response countermeasures for oil spills offshore, including in Arctic environments. The research program is based upon a strategic plan that recognizes the evolving risks in offshore exploration and production and BSEE's mission of protecting the environment. BSEE focuses its oil spill response research on advancing state-of-the art methods and technologies for oil spill detection using aerial and subsea platforms and vehicles; remote sensing and artificial intelligence

technologies; surface slick and subsurface plume measurements; oil spill characterization, quantification, and modeling; the use of dispersants and herders; surface and subsurface containment techniques; recovery using mechanical devices; oil and water separation systems; and clean up using various techniques and technologies, including *in-situ* burning of oil.

In FY 2025, BSEE will continue to advance technologies for detecting oil spills and determining oil slick thickness using remote sensing tools, integration of remote sensing data to support operational decision making, and the development of "smart" skimming technologies to improve recovery rates. Additionally, BSEE will continue to support research projects to better understand innovative response measures proposed for use in the Arctic. BSEE will also continue to work with Federal partners, such as the USCG Research and Development Center, NOAA, NASA, and the U.S. Army Cold Regions Research and Engineering Laboratory, as well as international organizations such as the Arctic Council's Emergency Prevention, Preparedness, and Response Working Group and Canada's Multi-Partner Research Initiative (MPRI), to engage in its continuous program of domestic and global information exchange that facilitates improvements in oil spill research. In FY 2025, BSEE will also continue to advance new *in-situ* burn techniques that will improve burning efficiency, reduce soot emissions, provide for burning of highly emulsified oil, and reduce sinking residues. These techniques will have profound impacts on Arctic spill preparedness, where disposal or transfer of collected oil is problematic due to remoteness, and soot and burn residue can harm the environment. Associated with the MPRI, BSEE will research technologies to measure and characterize droplet sizes of dispersed oil as required in EPA's National Contingency Plan Subpart J. In FY 2025, BSEE will also focus research on identifying existing and new technologies to respond to dielectric fluid spills that could result from offshore renewable energy operations. Offshore wind farms may have large quantities of dielectric fluids that are necessary for their efficient operations and the characteristics of these types of fluids are not well understood.

Management of Ohmsett, the National Oil Spill Response Research and Renewable Energy Test Facility: BSEE will continue its long-term management of the Ohmsett facility, the largest outdoor testing facility of its kind in North America, where a variety of research projects including oil spill response, remote sensing, wave energy capture, and marine debris (pre-production plastic pellet) removal are conducted by the Bureau and researchers from around the globe. Located at Naval Weapons Station Earle in Leonardo, New Jersey, Ohmsett comprises a 667-foot-long and 66-foot-wide tank filled with 2.6 million gallons of saltwater that provides the Bureau, academia, and industry a unique training, testing, and evaluation environment that simulates real-world conditions. With the ability to conduct tests using crude oil and other fluids, equipment manufacturers, scientists, regulators, and responders can test and train using full-scale equipment in wave conditions that mimic those encountered offshore. In FY 2025, BSEE will begin preparing for the next tank refurbishment, where the tank is taken offline every five years to conduct inspections and intense maintenance in support of continued operations of the 50-year-old facility.

FY 2025 BUDGET HIGHLIGHTS

BSEE receives funding through the Offshore Safety and Environmental Enforcement (OSEE) and Oil Spill Research (OSR) appropriations. The OSEE appropriation is partially offset by cost recovery fees, inspection fees, and a portion of OCS rental receipts collections. The OSR appropriation is funded through the Oil Spill Liability Trust Fund.

The budget for the OSEE account funds the following activities:

- The ***Environmental Enforcement*** Activity funds: environmental compliance staff and operational support required to manage compliance verification and enforcement of environmental standards placed on OCS energy and marine mineral operations; BSEE's compliance with NEPA, the Endangered Species Act, the National Historic Preservation Act, and other environmental laws and regulations; specialized inspections to ensure compliance with air and water quality requirements and other environmental mitigation measures; management of "Rigs-to-Reefs", BSEE's artificial reef program; and support for BSEE's Tribal consultation responsibilities.

- The ***Operations, Safety and Regulation*** Activity funds: reviews of OCS energy permit applications; inspections of OCS facilities, including critical high-risk activities; offshore operator oil spill planning and preparedness compliance; investigations; enforcement of laws, regulations, and plan and permit conditions; audit programs; annual operator performance reviews; verification of oil and gas production levels; research supporting the analysis of emerging technologies, standards, and regulatory review and development activities; and technical training.

- The ***Administrative Operations*** Activity funds: general administration programs, emergency management, finance, human resources, procurement, and information management. BSEE also provides administrative services, such as human resources, procurement, and finance to BOEM and other entities within the Department on a reimbursable basis.

- The ***Executive Direction*** Activity funds: Bureau-wide leadership, direction, management, coordination, communications strategies, equal employment opportunity services, and outreach. This includes functions such as budget congressional, international, and public affairs; equal employment opportunity services; and policy and analysis. The Office of the Director and key management positions in the Regional Director's Offices are also funded within this activity.

- The ***Offshore Decommissioning*** Activity funds: the proper maintenance, monitoring, and decommissioning of orphaned wells, pipelines, and structures left on the OCS for which there is no remaining liable party.

- The ***Renewable Energy Operations*** Activity funds: renewable energy staff and operational support required to manage compliance verification and enforcement of environmental and safety standards placed on OCS renewable energy operations, renewable energy research, and industry plan and engineering reviews.

It is critically important for the Bureau to maintain adequate base program capacity to achieve its mission as the oil and gas industry continues to drill and produce in deep water and operate in more challenging environments, and to support the Administration's offshore wind goals in a safe and environmentally responsible manner.

In FY 2025, the following BSEE budget changes are proposed:

OSEE Appropriation:

Baseline Capacity (+$8,101,000; +0 FTE): The 2025 budget includes important investments which help strengthen America to be more competitive as the world continues to change. These investments include the funding needed to maintain a strong, talented workforce, and other must pay requirements needed to continue to deliver BSEE's mission. The budget includes $8,101,000 in this Activity which reflects the incremental amount needed to cover fixed cost requirements in FY 2024. This request in combination with the FY 2025 fixed costs amounts are needed to meet the must pay operational requirements without impacting program activities.

Tribal Engagement Program (+$800,000; +4 FTE): Given the Administration's enhanced focus on Tribal coordination and consultation, BSEE is requesting funding to establish a National Tribal Engagement Program with dedicated, trained, full-time Tribal liaison positions. BSEE has committed to growing the Tribal engagement program for more meaningful engagement with federally recognized Tribal Nations through government-to-government and other interactions. With this additional funding, the National Tribal Engagement Program will be able to provide timely and appropriate coordination and consultation with Tribes.

Carbon Capture, Utilization, and Sequestration (+$1,518,000; +8 FTE): This requested program change will establish base support for a formal Carbon Sequestration Program and the FTE to realize requirements associated with the BIL and the Inflation Reduction Act of 2022 (IRA). Receiving funding in FY 2025 will allow BSEE to actively pursue solutions to address the unique challenges presented by sub-seabed CO_2 sequestration, including creating a multidisciplinary team to focus on identifying relevant industry standards and enforcement requirements, determining applied research needs/requirements, creating baseline risk assessment criteria for carbon sequestration projects, reviewing flow modeling and assessing conservation considerations, and performance and safety improvement.

Offshore Decommissioning (+$9,000,000; +0 FTE): The Administration is committed to addressing orphan oil and gas wells that pose serious safety hazards and cause ongoing air, water, and other environmental damage across the U.S. As part of this initiative, BSEE is requesting $9.0 million above the FY 2024 Continuing Resolution level to properly plug abandon orphaned wells on the OCS and properly decommission associated orphaned pipelines and structures. This funding would augment forfeited financial assurances from operators and proceeds from bankruptcy proceedings to address the most immediate and urgent needs for proper well plugging, abandonment, and decommissioning of orphaned wells, pipelines, and structures to reduce the risk of pollution and eliminate safety hazards.

Zero Emission Vehicles (ZEVs) (+$183,000; +0 FTE): The request for BSEE includes $183,000 in the Administrative Operations Activity to support vehicle fleet lifecycle replacement, fleet requirements analysis, charging infrastructure planning and deployment, and fleet capabilities assessments. Across Interior, the 2025 request includes $13 million for this purpose. This funding will continue Interior's efforts to right-size its fleet and replace vehicles with more efficient, mission capable, ZEVs at the right locations and with the right vehicle mix to deliver Interior's missions. BSEE's fleet planning efforts will continue to ensure ZEVs are integrated into the overall fleet plan, prioritizing locations and appropriate

missions for deployment of these vehicles. Additionally, this funding will assist BSEE with adapting electric vehicle support equipment planning and deployment to address installation requirements which vary by geographic region. Finally, this funding provides BSEE with the necessary support to coordinate fleet lifecycle replacement with infrastructure deployment.

General Change in Base Appropriated Funding to Offset Offsetting Collections (-$5,885,000; -0 FTE): The proposed change to appropriated funding offsets the estimated changes in offsetting collections based on the latest projections. There are no programmatic changes associated with this shift.

Change in Offsetting Collections: (+$2,528,000; +0 FTE): Current projections have both cost recovery and rental receipts increasing and a decrease in inspection fees. There are no programmatic changes associated with this shift.

Internal Transfer - Equal Employment Opportunity (EEO) Program: BSEE is transferring $1.0 million and 7 FTE from the Administrative Operations Budget Activity to the Executive Direction Budget Activity in accordance with the Elijah E. Cummings Federal Employee Antidiscrimination Act of 2020, which requires all Bureaus to have its EEO director report directly to the head of the Bureau.

Internal Transfer - Renewable Energy Operations Activity: To emphasize the importance of BSEE's Renewable Energy Program and the role it will have in supporting the Biden-Harris Administration and DOI goals for offshore wind, BSEE is proposing the creation of a Renewable Energy Operations budget activity in FY 2025. Currently, BSEE funds its Renewable Energy Program through the Operations, Safety and Regulation and Environmental Enforcement Activities. In FY 2025, these resources would be transferred to the new Renewable Energy Operations Activity.

Information Technology (IT) Spending (-$3,000,000; -0 FTE): BSEE's IT Program Office operates on a planned equipment refresh/replacement cycle to update end-user equipment to ensure modern capabilities and performance and to minimize the risk of unplanned equipment failure. BSEE will extend equipment refresh/replacement by one year in the following areas:

- BSEE Workstation (laptops) – will move from a planned 4-year cycle to an anticipated 5-year cycle.
- BSEE Application Servers – will move from a planned 5-year cycle to an anticipated 6-year cycle.
- BSEE Local Area Network (LAN) Equipment – will move from a planned 5-year cycle to an anticipated 6-year cycle.
- BSEE Storage Area Network (SAN) – will move from a planned 5-year cycle to an anticipated 6-year cycle.

Contractual Services (-$7,938,000; -0 FTE): BSEE's research and development program aids the organization in putting sound science in the forefront of its decision-making. In FY 2025, instead of funding external projects, BSEE would prioritize conducting research projects internally that are aimed at ensuring that existing and new facilities are using the best available and safest technology for critical equipment needed to promote safety and prevent major incidents or environmental damage. With a focus on safety research, BSEE can help ensure that conventional energy development and future renewable

energy development can occur while mitigating risks and potential adverse impacts. BSEE will continue to focus on priority research and other essential contractual activities that align with the OCS safety and environmental risk-reduction goals and objectives of the Administration.

OSR Appropriation:

There are no proposed FY 2025 program changes.

Performance

In FY 2025, BSEE will continue to focus attention on priority areas that foster safe and environmentally responsible offshore energy exploration, development, and production, as well as those areas that promote conservation of resources, motivate timely decommissioning, ensure accurate production measurement, and prepare for and encourage the advancement of offshore wind and carbon sequestration activities. A key component is the Bureau's performance management framework, which provides a suite of meaningful performance measures that managers can use to inform decision-making and communicate the Bureau's value to stakeholders. In FY 2025, BSEE will continue to build on its expanded portfolio of measures to better demonstrate how the Bureau achieves results in implementing its mission. Additionally, the Bureau's "vital statistics committees" continue to support the integration of these measures into informed decision-making by providing a forum to discuss trends in the data. BSEE is also working to build a predictive analytics approach to strengthen data analytics. A continuing emphasis on data stewardship and analysis will strengthen BSEE's overall ability to examine and understand how it achieves results.

Efforts are underway that will support BSEE's ability to measure performance and to assess effectiveness. These efforts include the continued implementation of an ERM system to help identify and prioritize areas of risk for the Bureau. BSEE will continue progress made with the integration of ERM with other management tools to better support decision making. This integration of management tools, including performance-related data, will continue into FY 2025.

By assessing and comparing organizational risks, as well as strengths, weaknesses, and opportunities, the Bureau can consider any impacts that ongoing and future industry trends may have on BSEE's role as a regulator. Program audits and reviews conducted by the U.S. Government Accountability Office (GAO), the Office of Inspector General (OIG), and other organizations, as well as internal program reviews undertaken or overseen by the Bureau's Office of Policy and Analysis Evaluation Branch, will continue to provide input to BSEE's evidence-based performance and evaluation processes. Results from the ERM system, audits and reviews, and other initiatives (e.g., real-time monitoring, near-miss reporting, and human capital strategic planning) will further inform the Bureau's efforts to continuously improve mission performance.

Performance Results - Evidence and Evaluation

In FY 2025, BSEE will continue to focus attention on priority areas and refine its outcome measures to demonstrate results and to better position the Bureau to achieve its mission in the following priority categories:

- Renewable Energy – including plan reviews, communication with the regulated community, and interagency collaboration to facilitate offshore wind energy development.
- Incidents – including injuries, fatalities, fires, explosions, gas releases, lifting events, collisions, hazmat, oil spills, and loss of well control.
- Operations – including offshore activity, inspections, INCs, investigations, violations, enforcement, and technical training.
- Systems and subsystems – including accurate measurement of hydrocarbons and production reconciliation to ensure proper accounting of revenues, environmental stewardship, oil spill preparedness plans, and permitting.
- Safety culture – including a maturing SEMS program with increased attention on improving third-party audit results, monitoring corrective actions that are focused on systemic causes, as well as increasing operator focus on situational awareness and operational discipline in all offshore activities.
- Regulatory reform – including revisions to existing rules and the incorporation of updated industry standards based on sound scientific principles.
- Decommissioning – including oversight of end-of-life facilities and strengthening decommissioning/idle iron compliance.

This enhanced suite of meaningful performance metrics is expected to be monitored through BSEE's Business Intelligence Tools to:

- Make informed management decisions for the Bureau;
- Improve program implementation and motivate performance through increased quality of program outputs; and
- Support a culture of accountability.

Good Accounting Obligation in Government Act Report (All Bureaus/Offices)

The Good Accounting Obligation in Government Act (GAO-IG Act, P.L. 115-414), enacted January 3, 2019, requires that Agencies report the status of each open audit recommendation issued more than one year prior to the submission of the Agency's annual budget justification to Congress. The Act requires Agencies to include the current target completion date, implementation status, and any discrepancies on closure determinations by the GAO.

DOI leadership takes audit follow-up very seriously and considers our external auditors, including the GAO and OIG, valued partners in not only improving the Department's management and compliance obligations but also enhancing its programmatic and administrative operations. As stewards of taxpayer resources, the Department applies cost-benefit analysis and enterprise risk management principles in recommendation implementation decisions. The Department's GAO-IG Act Report will be available at the following link: https://www.doi.gov/cj

Bureau of Safety and Environmental Enforcement

Budget at a Glance

Bureau of Safety and Environmental Enforcement **Budget at a Glance** Dollars in Thousands ($000)	**2023 Actual**	**2024 Annualized CR**	**Fixed Costs (+/-)**	**Internal Transfers (+/-)**	**2025 Request Program Changes (+/-)**	**FTE Change (+/-)**	**2025 President's Budget**
Appropriation: Offshore Safety and Environmental Enforcement							
Environmental Enforcement Activity	**5,858**	**5,858**	**+600**	**-400**	**+1,500**	***+2***	**7,558**
Baseline Capacity - 2024 Fixed Costs					*+700*		
Tribal Engagement Program					*+800*	*+4*	
Renewable Energy Operations				*-400*		*-2*	
Operations, Safety and Regulation Activity	**166,943**	**179,679**	**+3,731**	**-15,457**	**-3,369**	***-36***	**164,584**
Baseline Capacity - 2024 Fixed Costs					*+6,051*		
Information Technology (IT) Spending					*-3,000*		
Contractual Services					*-7,938*		
Carbon Capture, Utilization, and Sequestration					*+1,518*	*+8*	
Change in Offsetting Collections				*-3,357*			
Renewable Energy Operations				*-12,100*		*-44*	
Administrative Operations Activity	**19,292**	**19,292**	**+600**	**-1,000**	**+883**	**-7**	**19,775**
EEO Program				*-1,000*		*-7*	
Baseline Capacity - 2024 Fixed Costs					*+700*		
Zero Emission Vehicles (ZEVs)					*+183*		
Executive Direction Activity	**18,793**	**18,793**	**+575**	**+1,000**	**+650**	**+7**	**21,018**
EEO Program				*+1,000*		*+7*	
Baseline Capacity - 2024 Fixed Costs					+650		
Offshore Decommissioning Activity	**3,000**	**3,000**			**+9,000**		**12,000**
Offshore Decommissioning					*+9,000*		
Renewable Energy Operations Activity			**+50**	**+12,500**		**+46**	**12,550**
Renewable Energy Operations				*+12,500*		*+46*	
SUBTOTAL, Offshore Safety and Environmental Enforcement	**213,886**	**226,622**	**+5,556**	**-3,357**	**+8,664**	**+12**	**237,485**
TOTAL, Offshore Safety and Environmental Enforcement	**213,886**	**226,622**	**+5,556**	**-3,357**	**+8,664**	**+12**	**237,485**
Appropriation: Oil Spill Research							
Oil Spill Research	**15,099**	**15,099**					**15,099**
TOTAL, Oil Spill Research	**15,099**	**15,099**					**15,099**
TOTAL, Bureau of Safety and Environmental Enforcement	**228,985**	**241,721**	**+5,556**	**-3,357**	**+8,664**	**+12**	**252,584**

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Bureau of Safety and Environmental Enforcement

Summary of Requirements – Offshore Safety and Environmental Enforcement
(Dollars in Thousands)

Offshore Safety and Environmental Enforcement	FY 2023 Actual	*FY 2023 Actual FTE*	FY 2024 Annualized CR	*FY 2024 Annualized CR FTE*	2025 Request Fixed Costs (+/-)	2025 Request Internal Transfers (+/-)	*2025 Request Internal Transfers FTE (+/-)*	2025 Request Program Changes (+/-) ($)	*2025 Request Program Changes FTE (+/-)*	FY 2025 Request	*FY 2025 Request FTE*	2025 Request Total Change from 2024 (+/-)
Offshore Safety and Environmental Enforcement												
Environmental Enforcement												
Direct Appropriations	3,690	*27*	3,690	*32*	+600	-400	*-2*	+1,500	*+4*	5,390	*34*	+1,700
Offsetting Collections	2,168	-	2,168	-	-	-	-	-	-	2,168	-	-
Total, Environmental Enforcement	**5,858**	***27***	**5,858**	***32***	**+600**	**-400**	***-2***	**+1,500**	***+4***	**7,558**	***34***	**+1,700**
Operations, Safety and Regulation												
Direct Appropriations	124,101	*470*	111,784	*517*	+3,731	-16,569	*-44*	-3,369	*+8*	95,577	*481*	-16,207
Offsetting Collections	42,842	-	67,895	-	-	+1,112	-	-	-	69,007	-	+1,112
Total, Operations, Safety and Regulation	**166,943**	***470***	**179,679**	***517***	**+3,731**	**-15,457**	***-44***	**-3,369**	***+8***	**164,584**	***481***	**-15,095**
Administrative Operations												
Direct Appropriations	11,663	*225*	11,663	*248*	+600	-2,209	*-7*	+883	-	10,937	*241*	-726
Offsetting Collections	7,629	-	7,629	-	-	+1,209	-	-	-	8,838	-	+1,209
Total, Administrative Operations	**19,292**	***225***	**19,292**	***248***	**+600**	**-1,000**	***-7***	**+883**	**-**	**19,775**	***241***	**+483**
Executive Direction												
Direct Appropriations	16,823	*78*	16,823	*106*	+575	+793	*+7*	+650	-	18,841	*113*	+2,018
Offsetting Collections	1,970	-	1,970	-	-	+207	-	-	-	2,177	-	+207
Total, Executive Direction	**18,793**	***78***	**18,793**	***106***	**+575**	**+1,000**	***+7***	**+650**	**-**	**21,018**	***113***	**+2,225**
Offshore Decommissioning												
Direct Appropriations	3,000	-	3,000	-	-	-	-	+9,000	-	12,000	-	+9,000
Offsetting Collections	-	-	-	-	-	-	-	-	-	-	-	-
Total, Offshore Decommissioning	**3,000**	**-**	**3,000**	**-**	**-**	-	-	**+9,000**	**-**	**12,000**	**-**	**+9,000**
Renewable Energy Operations												
Direct Appropriations	-	-	-	-	+50	+12,500	*+46*	-	**-**	12,550	*46*	+12,550
Offsetting Collections	-	-	-	-	-	-	-	-	**-**	-	-	-
Total, Renewable Energy Operations	-	**-**	**-**	**-**	**+50**	**+12,500**	***+46***	-	**-**	**12,550**	***46***	**+12,550**
Total Direct Appropriations	159,277	*800*	146,960	*903*	+5,556	-5,885	-	+8,664	*+12*	155,295	*915*	+8,335
Total Offsetting Collections	54,609	-	79,662	-	-	+2,528	-	-	-	82,190	-	+2,528
TOTAL, OSEE	**213,886**	***800***	**226,622**	***903***	**+5,556**	**-3,357**	-	**+8,664**	***+12***	**237,485**	***915***	**+10,863**

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Bureau of Safety and Environmental Enforcement

Fixed Costs and Internal Realignments

(Dollars in Thousands)

Fixed Cost Element	2024 Annualized CR or Change	2024 Annualized CR to 2025 Request Change	Description
Change in Number of Paid Days	+519	+0	Total paid days for FY 2025 is 261 (2088 hours) which is the same number of days as FY 2024.
Pay Raise	+6,543	+3,849	The President's Budget for 2025 includes one quarter (October-December 2024) of the 5.2% pay raise for 2024 and three quarters (January-September 2025) of the estimated 2.0% pay raise for 2025.
FERS Employer Contribution Increase	+0	+0	The estimates do not reflect increases to the employer contribution for FERS or Law Enforcement FERS for FY 2025.
Departmental Working Capital Fund (WCF)	+527	+351	The estimates reflect final decisions of the Working Capital Fund Consortium on the FY 2025 Working Capital Fund Central Bill.
Worker's Compensation Payments	+5	+97	The amount reflects final chargeback costs of compensating injured employees and dependents of employees who suffer accidental death while on duty. This amount reflects the final Workers Compensation bill for 2025 payable to the Department of Labor, Federal Employees Compensation Fund, pursuant to 5 U.S.C. 8147(b) as amended by Public Law 94-273.
Unemployment Compensation Payments	+0	-3	The amount reflects projected changes in the costs of unemployment compensation claims to be paid to the Department of Labor, Federal Employees Compensation Account, in the Unemployment Trust Fund, pursuant to Public Law 96-499. This estimate reflects an applied annual inflation factor of 3.0% to the 5-year average of actuals between 2018-2022.
GSA and Non-GSA Rents	+426	+1,262	This estimate reflects the FY 2025 President's Budget Exhibit 54s as submitted. The amounts reflect changes in the costs payable to General Services Administration (GSA) and others for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These estimates reflect MIB rent, Security, Federal Reserve Parking, and Operations and Maintenance, distributed by bureau and office, based upon OFAS provided MIB occupancy levels. Costs of mandatory office relocations, i.e. relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included.
Baseline Adjustments for O&M Increases	+0		This adjustment captures the associated increase to baseline operations and maintenance requirements resulting from movement out of GSA or direct-leased (commercial) space into Bureau-owned space. During these transitions, bureaus often encounter an increase to baseline O&M costs not otherwise captured in fixed costs. This category of funding properly adjusts the baseline fixed cost amount to maintain steady-state funding for these requirements.
Total Fixed Costs	+8,020	+5,556	

Internal Realignments and Non-Policy/Program Changes	**FY 2024 (+/-)**	**Description**
General Change in Base Appropriated Funding to Offset Offsetting Collections	-14,570	The proposed change to appropriated funding offsets the estimated increase in rental receipt collections based on the latest projections provided by BOEM and revisions due to the IRA. Current projections also have cost recovery fees increasing as a result of the inflation adjustment that was effective in April 2022. The change also accounts for the difference between the FY 2022 Enacted Offsetting Collections total and the OMB scoring total, which is what is reflected in the FY 2024 budget tables. There are no programmatic changes associated with this shift.
Changes in Offsetting Collections	+5,954	Rental receipts are estimated to increase based on the latest projections provided by BOEM and the revisions due to the IRA. Current projections also have cost recovery fees increasing as a result of the inflation adjustment that was effective in April 2022.
Transfer of Equal Employment Opportunity (EEO) Program from Administrative Operations to Executive Direction	+0	BSEE is transferring $1 million and 7 FTE from the Administrative Operations Budget Activity to the Executive Direction Budget Activity in accordance with the Elijah E. Cummings Federal Employee Antidiscrimination Act of 2020, which requires all Bureaus to have its EEO director report directly to the head of the Bureau.

Bureau of Safety and Environmental Enforcement

Language Citations

Appropriations Language

Offshore Safety and Environmental Enforcement Appropriation Account

For expenses necessary for the regulation of operations related to leases, easements, rights-of- way, and agreements for use for oil and gas, other minerals, energy, and marine-related purposes on the Outer Continental Shelf, as authorized by law; for enforcing and implementing laws and regulations as authorized by law and to the extent provided by Presidential or Secretarial delegation; and for matching grants or cooperative agreements, $187,654,000, of which $143,295,000, including not to exceed $3,000 for official reception and representation expenses, is to remain available until September 30, 2026, and of which $44,359,000 is to remain available until expended, including $12,000,000 for offshore decommissioning activities: Provided, That this total appropriation shall be reduced by amounts collected by the Secretary of the Interior and credited to this appropriation from additions to receipts resulting from increases to lease rental rates in effect on August 5, 1993, and from cost recovery fees from activities conducted by the Bureau of Safety and Environmental Enforcement pursuant to the Outer Continental Shelf Lands Act, including studies, assessments, analysis, and miscellaneous administrative activities: Provided further, That the sum herein appropriated shall be reduced as such collections are received during the fiscal year, so as to result in a final fiscal year 2025 appropriation estimated at not more than $155,295,000.

For an additional amount, $49,831,000, to remain available until expended, to be reduced by amounts collected by the Secretary and credited to this appropriation, which shall be derived from non-refundable inspection fees collected in fiscal year 2025, as provided in this Act: Provided, That to the extent that amounts realized from such inspection fees exceed $49,831,000, the amounts realized in excess of $49,831,000 shall be credited to this appropriation and remain available until expended: Provided further, That for fiscal year 2025, not less than 50 percent of the inspection fees expended by the Bureau of Safety and Environmental Enforcement will be used to fund personnel and mission-related costs to expand capacity and expedite the orderly development, subject to environmental safeguards, of the Outer Continental Shelf pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), including the review of applications for permits to drill.

Note.—A full-year 2024 appropriation for this account was not enacted at the time the Budget was prepared; therefore, the Budget assumes this account is operating under the Continuing Appropriations Act, 2024 and Other Extensions Act (Division A of Public Law 118–15, as amended). The amounts included for 2024 reflect the annualized level provided by the continuing resolution.

Justification for Program Language Changes

The 2024 budget proposes appropriations language to enable the BSEE to use up to $3,000 of appropriated amounts for courtesy and social responsibilities associated with official duties, including outreach and engagement with Tribal partners to honor traditions. This request would provide the Bureau similar authority provided to other agencies to extend hospitality to official visitors without bureau employees bearing expenses from their own personal funds.

General Provisions

(See General Provisions chapter of the Office of the Secretary 2025 budget justification.)

OUTER CONTINENTAL SHELF INSPECTION FEES

SEC. 107. (a) In fiscal year 2025, the Secretary of the Interior shall collect a nonrefundable inspection fee, which shall be deposited in the "Offshore Safety and Environmental Enforcement" account, from the designated operator for facilities subject to inspection under 43 U.S.C. 1348(c).

(b) Annual fees shall be collected for facilities that are above the waterline, excluding drilling rigs, and are in place at the start of the fiscal year. Fees for fiscal year 2025 shall be—

(1) $11,725 for facilities with no wells, but with processing equipment or gathering lines;

(2) $18,984 for facilities with 1 to 10 wells, with any combination of active or inactive wells; and

(3) $35,176 for facilities with more than 10 wells, with any combination of active or inactive wells.

(c) Fees shall be assessed for facilities that are above the waterline, excluding drilling rigs, and require follow-up inspections. Fees for fiscal year 2025 shall be—

(1) $5,863 for facilities with no wells, but with processing or gathering lines;

(2) $9,492 for facilities with 1 to 10 wells, with any combination of active or inactive wells; and

(3) $17,588 for facilities with more than 10 wells, with any combination of active or inactive wells.

(d) Fees for drilling rigs shall be assessed for all inspections completed in fiscal year 2025. Fees for fiscal year 2025 shall be—

(1) $34,059 per inspection for rigs operating in water depths of 500 feet or more; and

(2) $18,649 per inspection for rigs operating in water depths of less than 500 feet.

(e) Fees for inspection of well operations conducted via non-rig units as outlined in title 30 CFR 250 subparts D, E, F, and Q shall be assessed for all inspections completed in fiscal year 2025. Fees for fiscal year 2025 shall be—

(1) $13,260 per inspection for non-rig units operating in water depths of 2,500 feet or more;

(2) $11,530 per inspection for non-rig units operating in water depths between 500 and 2,499 feet; and

(3) $4,470 per inspection for non-rig units operating in water depths of less than 500 feet.

(f) The Secretary shall bill designated operators under subsection (b) quarterly, with payment required within 30 days of billing. The Secretary shall bill designated operators under subsections (c) and (d) within 30 days of the end of the month in which the inspection occurred, with payment required within 30 days of billing. The Secretary shall bill designated operators under subsection (e) with payment required by the end of the following quarter.

Justification for Program Language Changes

Purpose: SEC. 107: BSEE's facility inspections fees were initially established in FY 2010 (P.L. 111-88). In FY 2012 (P.L. 112-74), the facility fee amounts increased, and new rig inspection fees were included. Since that time, the current facility and rig fees that BSEE charges operators have remained unchanged.

In FY 2025, BSEE's budget request includes an inflation adjustment to its current inspection fees. BSEE calculated the inflation adjustment by utilizing the Bureau of Economic Analysis (BEA) Table 1.19, Implicit Price Deflators for Gross Domestic Product, for the period of 2012 through 2020. This inflation adjustment has been applied uniformly to all fees with the exception for non-rig fees since they have only been in place since FY 2020.

BSEE is also proposing a new follow-up facility inspection fee in its FY 2025 budget request that changes facility inspection fees from once-per-year to a per-visit fee, as is currently done for offshore rigs. Facilities with good performance histories will benefit from this change, while facilities that have repeated safety and or environmental compliance issues will have further incentive to enhance their performance record, reducing the need for follow up-inspections. This proposed fee is estimated to increase fee collections by $7.3 million.

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FY 2025 BUDGET JUSTIFICATION

Bureau of Safety and Environmental Enforcement

Environmental Enforcement Activity

Table 3: Environmental Enforcement Activity Budget Summary ($000)

Environmental Enforcement	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR (+/-)
Environmental Enforcement	**5,858**	**5,858**	**+600**	**-400**	**+1,500**	**7,558**	**+1,700**
FTE	*27*	*32*	**-**	*-2*	*+4*	*34*	*+2*

Summary of 2025 Program Changes for Environmental Enforcement

Request Component	($000)	FTE
Program Changes:		
Baseline Capacity - 2024 Fixed Costs	+700	-
Tribal Engagement Program	+800	+4
TOTAL Program Changes	**+1,500**	**+4**

The Environmental Enforcement Activity funds the Environmental Compliance Program (ECP) staff and the operational needs required to ensure lessees, operators, and permittees that are subject to BSEE and BOEM jurisdiction comply with all required environmental laws and regulations; environmental standards found in leases, plans, and permits; and applied mitigations and conditions of approval. BSEE—through regulatory program coordination, NEPA compliance, office and field compliance verification, enforcement, and communication and engagement—advances this mission by utilizing the dedicated work of qualified and trained personnel who work collaboratively across its Regional and Program Offices.

Funding in FY 2025 will be used to maintain support for and improve BSEE's ECP through the application of proven verification methodologies, reliance on the best available science, and the continual development and improvement of environmental policies and procedures.

JUSTIFICATION OF 2025 PROGRAM CHANGES

The FY 2025 budget request for Environmental Enforcement is $7.6 million and 34 FTE, an increase of $1.7 million and 2 FTE from the FY 2024 Annualized CR.

Baseline Capacity (+$700,000; +0 FTE): The 2025 budget includes important investments which help strengthen America to be more competitive as the world continues to change. These investments include the funding needed to maintain a strong, talented workforce, and other must pay requirements needed to continue to deliver the BSEE's mission. The budget includes $700,000 in this Activity which reflects the incremental amount needed to cover fixed cost requirements in FY 2024. This request in combination with the FY 2025 fixed costs amounts are needed to meet the must pay operational requirements without impacting program activities.

Tribal Engagement Program (+$800,000; +4 FTE): Given the Administration's enhanced focus on Tribal coordination and consultation, BSEE is requesting funding to establish a National Tribal Engagement Program with dedicated, trained, full-time Tribal liaison positions. BSEE has committed to growing the Tribal engagement program to engage with federally recognized Tribal Nations through government-to-government interactions. With this additional funding, the National Tribal Engagement Program will be able to provide timely and appropriate coordination and consultation with stakeholder Tribes.

BSEE regulates activities that may have direct or indirect impacts to the integrity of the shoreline and its ecology, offshore habitat, marine mammals, other critical species, natural view-scape, and submerged historical or archaeological sites. BSEE strives to ensure that permitting processes for activities that may have effects on Indigenous communities are open, transparent, and thorough. BSEE hosts consultations with Tribal Nations to honor our nation-to-nation relationship; to hear directly from Tribal leaders as we address economic, racial justice, and climate crises, all of which disproportionately impact Native Americans and Alaska Natives; and to commit ourselves to a process that addresses Tribal needs and ensures we respect and take input to heart.

INTERNAL TRANSFERS

Renewable Energy Operations Budget Activity (-$400,000; -2 FTE): This internal transfer moves funding that was previously allocated to the Environmental Enforcement Activity for renewable energy activities to the requested new Renewable Energy Operations Activity.

PROGRAM OVERVIEW

BSEE's ECP is responsible for ensuring that the Bureau and the OCS energy industry comply with applicable environmental laws, regulations, and conditioned protection measures. Program directives and responsibilities within ECP include verification reviews of environmental compliance through office and field visits and site inspections, NEPA compliance coordination and documentation, and interagency consultation and coordination. Through this program, the Bureau establishes policies and procedures for compliance with environmental regulations and maintains environmental compliance performance standards through national program goals and a program vision that directly supports the Bureau's mission. The Bureau promotes proactive and regular engagement with energy and marine mineral stakeholders; Federal, State, Tribal, and local agencies; non-governmental organizations; international partners; and the general public.

ECP staff ensure that the offshore energy industry and marine mineral groups comply with established environmental standards for the protection of and minimization of impacts on air quality, coastal and marine water quality, archaeological and cultural resources, benthic resources and habitat, fish and the associated fisheries, and protected species. Environmental specialists within ECP also oversee the Bureau's Marine Trash and Debris Reduction Program, support artificial reef development through the active Rigs-to-Reefs Program, and work to reduce unnecessary conflicts between the regulated community and other OCS users.

Compliance Verification and Enforcement

The ECP has implemented several improvements over the last few years including institutionalizing annual national and regional program goal development, developing clearer roles and responsibilities, and improving NEPA compliance. The program conducts over 1,000 NEPA compliance reviews for BSEE permitting programs each year to ensure that adequate mitigation measures are applied as Conditions of Approval (CoAs) to limit or negate potential environmental impacts. BSEE also ensures environmental compliance of all offshore energy activities during the life of the project.

Over the past decade, ECP has conducted an average of 750 environmental compliance inspections and reviews annually to verify compliance with environmental CoAs and other environmental standards and determine enforcement needs. Environmental standards are placed on OCS conventional and renewable energy operations and marine mineral activities to help reduce or negate the potential impacts to air quality standards, submerged cultural and archaeological resources, marine protected species (i.e. marine mammals, sea turtles, fish, etc.), benthic organisms, coastal and marine waters, and other sensitive ecological features and habitat. The ECP inspections, compliance reviews, and subsequent enforcement actions assist BSEE with focusing on those areas that require increased industry awareness and improvements. The efforts also support adaptive-management approaches to improve mitigation development and consultation and coordination efforts with other departments and bureaus. ECP also collaborates with other programs and agencies to improve environmental stewardship data analysis and decision-making.

Decommissioning

In FY 2025, ECP will continue its long-term commitment to ensuring decommissioning activities in the Gulf of Mexico (GOM) OCS are carried out in compliance with all environmental laws and regulations. This includes management of critical, site-clearance verification (SCV) requirements to ensure the removal of debris and obstructions from decommissioning locations that can impact other OCS user groups, which often include communities with environmental justice concerns. The ECP is playing a vital role as BSEE works to decommission orphan infrastructure and reduce the Nation's pollution risk and methane emissions. Similarly, the Pacific Region anticipates the decommissioning of several facilities off California to occur in the next few years. BSEE and BOEM recently completed a Programmatic Environmental Impact Statement (PEIS) for oil and gas decommissioning activities in the Pacific OCS region and are planning to initiate a new decommissioning PEIS in the GOM. BSEE coordinates with BOEM to organize quarterly decommissioning environmental meetings between the GOM and Pacific regional offices, creating an opportunity for headquarters and regional contacts to communicate

opportunities that better align field actions with national directives and highlight regional best practices for NEPA and environmental consultations.

Program Management

BSEE's ECP operates under a national program management model where program direction is developed at headquarters in coordination with regional offices, and program execution is carried out in the field. Organizational groups within BSEE that support ECP include:

- The Environmental Compliance Division, which serves as the headquarters office under the ECP National Program Manager;
- The Office of Environmental Compliance, located in BSEE's Gulf of Mexico Regional Office; and
- BSEE's Pacific and Alaska Regional Offices.

These offices work together to develop policies and procedures for BSEE's collaborative oversight of environmental compliance responsibilities associated with OCS energy activities and across all BSEE's programs. The headquarters-based Environmental Compliance Division facilitates a nationally consistent approach to the execution of environmental compliance functions within regional offices. Regional ECP personnel serve as the subject matter experts within BSEE in air quality, archaeological/cultural resources, benthic resources, fisheries, marine trash and debris prevention and elimination, marine protected species, artificial reefs/Rigs-to-Reefs, SCV oversight/space-use conflict reductions, and water quality.

FY 2025 BUDGET JUSTIFICATION

Bureau of Safety and Environmental Enforcement

Operations, Safety and Regulation Activity

Table 4: Operations, Safety and Regulation Activity Budget Summary ($000)

Operations, Safety and Regulation	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR (+/-)
Operations, Safety and Regulation	**166,943**	**179,679**	**+3,731**	**-15,457**	**-3,369**	**164,584**	**-15,095**
FTE	*470*	*517*	*-*	*-44*	*+8*	*481*	*-36*
Major Program IT Investments:							
Technical Information Management System (TIMS) [1/]	[14,227]	[16,363]	-	-	[265]	[16,628]	[265]

[1/] TIMS is a BSEE owned system, which it shares with BOEM. The amounts shown are the BSEE-only portion.

Summary of 2025 Program Changes for Operations, Safety and Regulation		
Request Component	**($000)**	**FTE**
Program Changes:		
Baseline Capacity - 2024 Fixed Costs	+6,051	-
Information Technology (IT) Spending	-3,000	-
Contractual Services	-7,938	-
Carbon Capture, Utilization, and Sequestration	+1,518	+8
TOTAL Program Changes	**-3,369**	**+8**

The Operations, Safety and Regulation Activity funds OCS permit application reviews and process tracking, inspections of OCS facilities (including critical high-risk activities), offshore operator oil spill planning and preparedness compliance, investigations, enforcement, audit programs, annual operator performance reviews, oil and gas production level verifications, research supporting emerging technology analysis and activities, cybersecurity, standards and regulatory review activities, and technical training.

BSEE is committed to enhancing its inspection program through an annual inspection strategy that includes Risk-based Inspections (RBI) and ensuring that it operates at the highest level of effectiveness, while continuously exploring opportunities to increase overall program efficiency through data analysis of vital statistics, business intelligence, and various status and process management tools. Funding requested in FY 2025 will allow BSEE to promote a robust culture of safety while reducing risk in the offshore

energy industry through inspections, permitting, enforcement, incident and equipment failure investigations, data analytic tools and process development, regulatory development, cybersecurity program development, and enhancing a culture of scientific integrity.

Overall, the objective and scope of the BSEE RBI Program is to assist the Bureau in developing inspection tasks and techniques to enhance the Bureau's focus on offshore oil and gas facilities that exhibit distinguishing risk factors, which will minimize redundant inspection efforts and lower costs, shift the Bureau from a reactive to a proactive oversight regime, and implement a risk management tool.

BSEE will continue efforts to engage with the oil, gas, and renewable energy industries and other stakeholders to identify the appropriate safety initiatives to address or mitigate higher-risk concerns. These initiatives are designed to proactively prevent unsafe incidents from occurring and promote efficient and effective compliance based on critical analysis and the use of existing data. In collaboration with stakeholders, BSEE will update its policies, processes, and regulations to ensure that the financial and technical challenges of developing new technologies or implementing new control strategies are recognized and addressed in a manner that encourages safe operations on the OCS.

It is critically important for the Bureau to maintain adequate base program capacity to achieve its mission as the oil and gas industry continues to drill and produce in ultra-deep waters and the offshore wind industry begins operations in frontier areas such as the Atlantic and Pacific OCS. BSEE will continue to pursue necessary personnel and program resources to support oil and gas energy operations and operations related to carbon sequestration.

JUSTIFICATION OF 2025 PROGRAM CHANGES

The FY 2025 budget request for Operations, Safety and Regulation is $164.6 million and 481 FTE, a decrease of $15.1 million and 36 FTE from the FY 2024 annualized CR.

Baseline Capacity (+$6,051,000; +0 FTE): The 2025 budget includes important investments which help strengthen America to be more competitive as the world continues to change. These investments include the funding needed to maintain a strong, talented workforce, and other must pay requirements needed to continue to deliver BSEE's mission. The budget includes $6,051,000 in this Activity which reflects the incremental amount needed to cover fixed cost requirements in FY 2024. This request in combination with the FY 2025 fixed costs amounts are needed to meet the must pay operational requirements without impacting program activities.

Information Technology (IT) Spending (-$3,000,000; -0 FTE): BSEE's IT Program Office operates on a planned equipment refresh/replacement cycle to update end-user equipment to ensure modern capabilities and performance and to minimize the risk of unplanned equipment failure. BSEE will extend equipment refresh/replacement by one year in the following areas:

- BSEE Workstation (laptops) – will move from a planned 4-year cycle to an anticipated 5-year cycle.
- BSEE Application Servers – will move from a planned 5-year cycle to an anticipated 6-year cycle.

- BSEE Local Area Network (LAN) Equipment – will move from a planned 5-year cycle to an anticipated 6-year cycle.
- BSEE Storage Area Network (SAN) – will move from a planned 5-year cycle to an anticipated 6-year cycle.

Contractual Services (-$7,938,000; -0 FTE): BSEE's research and development program aids the organization in putting sound science in the forefront of its decision making. In FY 2025, instead of funding external projects, BSEE would prioritize conducting research projects internally that are aimed at ensuring existing and new facilities are using the best available and safest technology for critical equipment needed to promote safety and prevent major incidents or environmental damage. With a focus on safety research, BSEE can help ensure that conventional energy development and future renewable energy development can occur while mitigating risks and potential adverse impacts. BSEE will continue to focus on priority research and other essential contractual activities that align with the OCS safety and environmental risk-reduction goals and objectives of the Administration.

Carbon Capture, Utilization, and Sequestration (+$1,518,000; +8 FTE): This requested program change will establish base support for a formal Carbon Sequestration Program and the FTE to realize requirements included in the BIL and the Inflation Reduction Act of 2022 (IRA). Receiving funding in FY 2025 will allow BSEE to actively pursue solutions to address the unique challenges presented by sub-seabed CO_2 sequestration, including creating a multidisciplinary team to focus on identifying relevant industry standards and enforcement requirements, determining applied research needs/requirements, creating baseline risk assessment criteria for carbon sequestration projects, reviewing flow modeling and assessing conservation considerations, and performance and safety improvement.

INTERNAL TRANSFERS

Renewable Energy Operations Budget Activity (-$12,100,000; -44 FTE): This internal transfer moves funding that was previously allocated to the Operations, Safety and Regulation Activity for renewable energy activities to the requested new Renewable Energy Operations Activity.

General Change in Base Appropriated Funding to Offset Offsetting Collections (-$4,469,000; -0 FTE): The proposed change to appropriated funding offsets the estimated changes in offsetting collections based on the latest projections. There are no programmatic changes associated with this shift.

Change in Offsetting Collections: (+$1,112,000; +0 FTE): Current projections have both cost recovery and rental receipts increasing and a decrease in inspection fees. There are no programmatic changes associated with this shift.

PROGRAM OVERVIEW

Best Practices, Performance Requirements, and Regulation Development

The foundation of the BSEE oversight program is a set of best practices that govern numerous aspects of offshore energy operations, from engineering specifications and operating standards to encouraging and supporting the development of a strong OCS safety culture and continuing the work of the Bureau's

enforcement program. BSEE will continually review these requirements and expectations, and update and revise them as necessary, to ensure they include the most effective practices for safety and environmental protection. BSEE will maintain its commitment to review and update regulatory requirements and facilitate regulation development in compliance with all applicable laws, statutes, and administrative orders. BSEE will also focus on streamlining the incorporation of new and updated industry standards into regulations and will continue to coordinate its regulatory efforts with the USCG and other agencies to avoid duplication and to maximize consistent and efficient regulation of OCS activities.

In FY 2024 and into FY 2025, BSEE will continue to actively participate with Standards Development Organizations (SDOs) in the development of new or revised standards for OCS safety and environmental protection, consistent with the 1995 National Technology Transfer and Advancement Act. The objective is to optimize the use of national and international standards in regulations or project reviews; collaborate with SDOs to expedite the development of industry best practices; increase BSEE's knowledge and awareness of OCS oil, gas, and renewable energy standards development and their applicability to the regulatory regime; and facilitate BSEE's ability to provide input on the standards. BSEE will also continue to take a leadership role in establishing more effective communication links between national and international standards organizations as well as other Federal and international regulators to ensure continuous improvement of industry best practices. For more information, please visit https://www.bsee.gov/what-we-do/offshore-regulatory-programs/regulations-standards.

Engineering Technology Assessment Center (ETAC)

In partnership with Bureau-wide subject matter experts, ETAC personnel research developing technology; collaborate with equipment manufacturers, academia, and research laboratories; and support the standards development process with a focus on technology. BSEE subject matter experts play a key role on issues involving complex technology as well as during engagement efforts with offshore energy industry stakeholders. The ETAC ensures that BSEE staff is available to participate in industry activities and to assist in the inspection of offshore facilities via visits to original equipment manufacturer offices, offshore operators, academic institutions, and research facilities to enhance BSEE's visibility and trustworthiness amongst its external stakeholders. Please visit https://www.bsee.gov/what-we-do/offshore-regulatory-programs/etac for information on study topics.

Assessing Probabilistic and Permitting Risk

BSEE and NASA are collaborating to apply probabilistic risk assessment (PRA) in the offshore energy industry to evaluate PRA as a potential risk assessment tool for evaluating technology operations in frontier offshore environments. PRA is a quantitative risk assessment technique, initially developed within the nuclear energy industry, used by NASA to model risk for human spaceflight. The technique enables identification and mitigation of low-probability sequences of events that can lead to high-consequence outcomes. BSEE believes this technique may have similar utility when applied to energy development operations in lesser-understood offshore environments, particularly for complex scenarios where quantification of risk is important for regional or national leadership decisions. This agreement will allow industry to continue the development of a standard assessment methodology in cases where a company desires to submit PRAs for BSEE consideration. The efforts with NASA are especially important for collaborating on safety, reliability, risk management, and engineering activities that are

deemed necessary to advance BSEE's mission by allowing BSEE and the industry to better define and interpret the risks associated with scenarios and ensure that any issues are identified and addressed early in the technology life cycle. Not every situation requires a quantitative approach; however, PRA is appropriate for complex engineering hardware that has critical human interaction and multiple pathways to catastrophic failure.

The foundation of safe OCS operations begins with leading edge prevention through risk identification, assessment, mitigation, management, and oversight during the permit review process. Based upon the risks identified and associated with operators' permit submissions, BSEE continues working to focus permit review efforts on ensuring that review processes focus on areas of highest risk.

BSEE actively tracks permit reviews from a management oversight level with permit processing levels remaining relatively stable for almost all permitting categories. BSEE established control limits for these processes and regularly tracks any anomalies early in the process to improve outcomes. Additionally, BSEE has identified the permit review areas with other agencies that impact permit timing and is working to help reduce processing times for permits not under the Bureau's direct control. A cross-bureau committee on permitting statistics is actively engaged in this process of tracking efficiency and areas for improvement.

In FY 2025, BSEE will continue streamlining the review process and implementing new electronic permitting and reporting modules (ePermits) in BSEE's Technical Information Management System Web system (TIMSWeb). The ePermits modules allow BSEE to track and review the submission of permits, reports, and notifications and provide industry with access to monitor the review and approval or denial of their submissions. In FY 2025, BSEE will also continue improvements to increase functionality to operators and BSEE's permit review personnel.

Energy Inspections, Investigations, and Risk Management

BSEE is committed to continually improving its inspection approach. In FY 2019, BSEE adopted a new inspection strategy and subsequently initiated its first Annual Inspection Plans. The team tasked with developing this strategy includes representatives from the regions as well as headquarters, who continue to identify and evaluate various approaches for inspecting a facility for safety and regulatory compliance as well as for assessing the effectiveness of the operators' internal procedures and management policies at maintaining a safe work environment using a hybrid of inspection techniques, risk assessment tools, and SEMS processes or performance-based assessments. The team also regularly tracks completed inspections against the targets in the annual inspection plan and reports performance to senior BSEE leadership, enabling BSEE to quickly adjust inspection activities as necessary to ensure all goals are met.

BSEE's performance-based SEMS Program, in collaboration with BSEE's Inspection Program, is the cornerstone of BSEE's hybrid regulatory approach. SEMS focuses on driving the safety and environmental performance of OCS oil and gas operators and contractors through assessing the effectiveness of the operators' internal safety and environmental policies, programs, procedures, and behaviors. In conjunction with an RBI approach, SEMS seeks to measure both full compliance and the degree to which BSEE's regulatory expectations and intent are incorporated into the OCS workplace. The SEMS program has been modeled after international programs for quality, safety, and environmental

management systems. BSEE's SEMS regulation incorporates by reference the 3rd edition of the American Petroleum Institute's Recommended Practice (RP) 75, issued March 2004. The 4th edition of RP 75, released in December 2019, emphasizes human factors (such as situational awareness and operational discipline) as key elements for sustaining a safe workplace. In FY 2024, BSEE will consider whether the 4th edition of RP 75 will be included in the future update to the BSEE SEMS regulation. Through adopting a SEMS program that aligns with their business model and company culture, operators will more effectively utilize their resources, design their safety initiatives to ensure effective implementation, and promote continuous and sustainable safety and environmental performance improvement.

A cross-functional, team-driven, safety improvement initiative established in 2020 continues to identify opportunities where BSEE can collaborate with industry to improve the safety performance of offshore lifting activities. This BSEE-led initiative incorporates many aspects of SEMS related to human factors, including safe work procedures and risk recognition to promote opportunities to raise awareness and communications around work plans and decision-making. BSEE's "Raising Our Awareness" poster campaign, launched in 2022, highlights many of the common behaviors or factors contributing to offshore crane-related safety incidents. Work is underway to expand BSEE's internal crane inspection training to include recognition of the human factors that contribute to lifting-related safety incidents. This Lifting Team initiative represents a new safety improvement approach that can serve as a model for driving safety performance in high-risk activities or areas.

Implementing an inspection strategy that allows the Bureau to direct resources toward the riskiest facilities and safety components is a key goal for BSEE. Planning the inspections, facility selection, and the inspection criteria for verification and validation are essential to a successful program. Inspection planning utilizes information from third party SEMS audits, annual compliance inspections, and lessons learned from BSEE's incident investigations or industry-led incident investigations to identify safety trends and concerns. RBIs, conducted by multi-disciplinary teams consisting of engineers and inspectors, evaluate facilities with a focus on safety-critical equipment operation and maintenance; SEMS implementation and effectiveness; proper contractor oversight; and adequate training and safety awareness.

The collection and analysis of industry-wide safety data plays a critical role in the identification and mitigation of safety issues. BSEE continues to work with industry to encourage the collection, analysis, and dissemination of critical safety data, issues, and trends across the industry. For example, the BSEE-funded SafeOCS Program, which is a partnership with the Bureau of Transportation Statistics, collects near-miss, safety, and equipment component failure system data from OCS operators and contractors to identify gaps, and closes those gaps through risk management of blowout prevention equipment, well control equipment, and safety and pollution prevention equipment. Voluntary near-miss data is analyzed by subject matter experts and presented to the public, Bureau leadership, and industry in an easily digestible format. To see the greatest benefit, maximum participation among operators is paramount. BSEE undertook change initiatives to improve the rate of participation for the voluntary safety data and near miss reporting program, and now 85 percent of offshore production is represented; in 2023, this equaled 26 companies.

BSEE will continue to work closely with the International Association of Drilling Contractors, the Offshore Operators Committee, the Center for Offshore Safety, individual operators, and critical service

providers to develop, maintain, and improve the framework for OCS data collection, analysis, and reporting. BSEE is also working with industry groups such as the International Association of Oil and Gas Producers and other international regulators to develop an international system for collecting and reporting this type of data. An international program will assist operators by providing consistent reporting protocols across all jurisdictions and by providing access to a robust safety database.

Under OCSLA, BSEE is required to conduct investigations and prepare an investigation report for each major incident associated with OCS activities. Incidents specified in 30 CFR Part 250.188 must be reported to BSEE, which reviews each incident and, based on the severity and complexity of the event, determines what type and amount of investigative resources will be devoted. The purpose of an investigation is to identify the cause(s) of an incident and to make recommendations to prevent its recurrence or the occurrence of similar incidents.

As a result of incident investigation report recommendations and other inspections and enforcement activities, BSEE publishes Safety Alerts to inform the offshore energy industry of the circumstances surrounding an incident or near miss and to provide recommendations that will help prevent the recurrence of a similar incident. In FY 2019, BSEE launched the BSEE!Safe Program to bring critical safety information, such as Safety Alerts and Bulletins, directly to OCS offshore workers through text messages. BSEE!Safe is part of the Bureau's strategy to supplement regulation with innovative and collaborative programs, expanding the available methods for driving safety performance and environmental stewardship improvements. As of December 2023, there are more than 8,100 subscribers to BSEE!Safe. Incident investigation reports may also recommend that the Bureau consider new or revised regulatory or inspection actions or other initiatives. Through active coordination among various government agencies – including the USCG, the Occupational Safety and Health Administration (OSHA), the Pipeline and Hazardous Materials Safety Administration (PHMSA), DOI's Office of Natural Resources Revenue (ONRR), and BOEM – BSEE promotes effective utilization and coordination of investigative resources.

BSEE conducts analysis of INCs issued to gauge operator performance and identify more systemic issues. The National PINC List includes some "catch all" PINCs within the G-INC category to address unsafe working conditions or equipment and other miscellaneous hazards. BSEE completed an in-depth analysis in FY 2022 into how G-INCs are being applied in the field and plans to do additional analysis into G-INCs throughout FY 2024 and FY 2025 to help the agency better identify, track, and address those specific risks.

BSEE's Risk Analysis Committee (RAC) annually reviews targeted offshore operations to identify process safety exposures and regulatory program gaps and quantify risk. With FY 2025 funds, the RAC will utilize findings from BSEE's ongoing activities to analyze incidents, events, safety data, and non-compliance information for trends and relationships to identify causal factors and conditions that give rise to safety concerns and offer insights for safety improvements.

Supporting the RAC is BSEE's Safety Performance Enhanced by Analytical Review (SPEAR) Program. The Program's goal is to identify new data analysis tools and strategic Bureau-wide processes to enable BSEE subject matter experts to identify current and emerging safety and environmental hazards related to energy operations on the OCS. In FY 2021, the SPEAR Program pursued an interagency agreement with

the NASA Advanced Supercomputing Division to assess machine learning techniques and tools for use in helping BSEE determine precursors to significant incidents on the OCS. The SPEAR Program intends to continue this collaborative agreement through FY 2025.

Section 40307 of the IIJA amended OCSLA and authorized DOI to administer leases, easements, and rights-of-way on submerged Federal lands for geologic sequestration (i.e., storage) of carbon dioxide. This new law also requires DOI to promulgate implementing regulations, and BSEE is partnering with BOEM to develop new regulations and build a complete program for carbon sequestration on the OCS. BOEM will be responsible for leasing, assessing the broader environmental impact of carbon storage on the OCS, and other related components of a carbon sequestration program, while BSEE will be responsible for the activities related to installation, operations, inspections, emergency response plans, and decommissioning, among other roles.

Technical Training

The Bureau supports training and other efforts aimed at field personnel, inspectors, engineers, and geoscientists to ensure that staff have the tools needed for effective permitting and are up-to-date on technological advances, while also promoting responsible energy development.

The Bureau's National Offshore Training Center provides comprehensive, multi-tiered, professional development opportunities for BSEE inspectors, engineers, scientists, and analysts that are involved in regulating offshore energy operations on the OCS. The technical training program supports the Bureau's goals by identifying and providing up-to-date training and development opportunities to all staff involved in regulating, inspecting, or approving the use of new technologies for offshore energy operations. The technical curriculum consists of formalized on-the-job training and over 130 courses taught by renowned subject matter experts to ensure continuous education and development that improves and enhances professional competence, skills development, and job satisfaction.

Scientific Integrity Culture

BSEE adheres to DOI's Scientific Integrity policy and requires scientific integrity training for employees involved in the creation, funding, review, implementation, communication, and use of data and information emanating from scientific and scholarly activities, such as research, assessments, monitoring, and statistical analysis. Supporting the policy goal of creating and sustaining a culture of scientific integrity, BSEE offered additional scientific integrity training to scientists, engineers, supervisors, and leadership.

New Federal scientific integrity guidance that responds to the 2021 Presidential Memorandum on Restoring Trust in Government Through Scientific Integrity and Evidence-Based Policymaking (https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/27/memorandum-on-restoring-trust-in-government-through-scientific-integrity-and-evidence-based-policymaking/) will require updates to DOI's Scientific Integrity Policy. BSEE has been engaged in this process and will collaboratively work with DOI colleagues to further advance a culture of scientific integrity across the Bureau.

Conventional Energy Program Compliance

An essential part of any regulatory program is the provision of compliance assistance and enforcement in cases where there is a failure to comply with safety and environmental regulations. BSEE employs several tools, including issuance of INCs, civil penalties, and orders to underscore the importance of safe operations and environmental stewardship and create a level playing field for all operators. BSEE also conducts annual performance reviews of each operator to address recurring safety and environmental concerns.

Through the identification and quantification of risk, BSEE actively seeks to identify key leading and lagging indicators while also developing a better gauge of operator effectiveness in employing redundant physical controls (barrier analysis). Using data and trend analysis to identify higher-risk operations and facilities, BSEE focuses inspection resources on these targets as a supplement to BSEE's existing schedule of inspections on production facilities and active drilling operations. In CY 2023, BSEE conducted Performance Based Risk Inspections (PBRIs) covering medical evacuation and emergency hazards on a total of 15 operators in the Gulf of Mexico. Due to the findings of the medical evacuation and emergency hazards inspections, BSEE published a Safety Alert (No. 469) with eight recommendations to improve performance. As a result of short-service employee PBRIs, BSEE met with industry subcommittees to address gaps and offered 8 recommendations to develop a best practices document. BSEE also conducted four facility-based risk inspections. The Bureau is actively deploying this risk-based methodology that—when combined with findings from the annual inspection program, trends identified in the third-party SEMS audits, and the SafeOCS Program—will enable BSEE to effectively focus its attention in the areas or operations and safety barriers which pose the greatest risk to safe operations.

In implementing the compliance and enforcement program, BSEE is guided by safety and environmental protection performance goals related to the Strategic Plan to advance the Bureau's mission. The program strives to improve its functions by promoting a culture of professionalism throughout the workforce and establishing consistent, transparent, and clear processes that guide the implementation of program initiatives.

Conservation Management

As a steward of the Nation's OCS oil, gas, and mineral resources, BSEE must provide for the conservation of these natural resources by preventing waste and ensuring efficient recovery of the resources, as well as protecting the correlative rights of OCS lessees and the government. Conservation is accomplished through effective monitoring of development and production activities on the OCS and robust enforcement of regulations that require operators to produce oil and gas reservoirs using methods that avoid waste and maximize the recovery of these natural resources while the infrastructure to develop them is in place. This also minimizes the human footprint needed to develop the resources.

Production Measurement and Verification

Oil production in the Gulf of Mexico increased from 1.1 million barrels per day (MMBopd) in June 2013 to nearly 1.9 MMBopd in September 2023. This increase in oil production was accomplished by drilling

and completion work from platform and floating drilling rigs in support of both new and existing production facilities for deepwater projects. In coordination with ONRR, BSEE inspectors will continue to ensure that production volumes are accurately measured and reported for the assessment of royalties owed to the American people. BSEE's measurement approval, verification, and inspection responsibilities help validate the collection of billions of dollars in royalties from offshore oil and gas resources each year.

Emerging Technologies and Research

BSEE identifies and evaluates critical equipment and technologies to reduce risk, support safe operations, and promote environmental stewardship on the OCS. Detailed technology and equipment evaluations include those that impact the utilization and reliability of safety-critical components, equipment, and systems. BSEE performs technical assessments, detailed risk evaluation, and research on both new and existing technologies to determine feasibility, investigate potential utilization risks, and clarify gaps related to their use in order to propose modifications to regulations and standards. These activities help identify and resolve potential safety issues before incidents occur and ensure that existing and emerging technologies can be reviewed and approved.

In FY 2023, BSEE executed and completed technical contracts that focus on reduction in the overall safety risk of both renewable energy and traditional oil and gas operations. The renewable energy efforts focused on fire protection and structural stability of offshore wind turbines, while oil and gas efforts included assessments of critical system and barrier management, bolts and fasteners, and Arctic ice thickness and movement. Below is a summary of several research projects completed in FY 2023.

(1) Subsea Bolts and Fasteners - BSEE's System Reliability Section worked with the Research Support Section to assess industry standards related to applications of subsea bolts and connectors. This research has resulted in significant improvements in industry standards and manufacturing practices.

(2) Alaska Freeze-up and Break-up - BSEE continues to support research on the long-term and short-term trends of the extent and volume of Arctic sea ice. Reliable prediction of ice movement and thickness benefits numerous industries beyond oil and gas for planning operations and emergency response readiness, commerce, and national security. The peer reviewed findings from this research are rolled into the next round of freeze-up break-up research to ensure continuous improvement in research execution as the data collection and assessment techniques improve over the years.

(3) Success Paths – While offshore oil and gas operations typically maintain a strong commitment to industrial safety, many major industry incidents have occurred due to a lack of process integrity. This research provided a systematic evaluation of process safety using a risk-analysis methodology that ensured systems were performing and would continue to perform their critical safety functions under all conditions. The findings from this research were disseminated to inform policies pertaining to risk and physical barriers.

(4) Breaking Waves – This research project focused on examining breaking wave conditions in the U.S. for proposed offshore wind turbine support structures. The study leveraged metocean data and structural models that served as the framework for performing high-fidelity computational fluid dynamics simulations for informing offshore wind turbine policy.

(5) Renewable Energy Fire Protection – This study was commissioned to evaluate the fire detection, protection, suppression, and explosion protection systems within the offshore wind industry. It aimed to compare and contrast the performance of both passive and active fire protection and suppression systems available for informing policies on offshore wind turbine fire protection.

In FY 2024, the focus for oil and gas will continue to be on pursuing risk-reducing research. Research topics will cover life extension for offshore structures, carbon capture and storage technologies, offshore wind, remote visual inspections, and well blow-out prevention. Products of the Bureau's technology assessments and collaborations are posted at: https://www.bsee.gov/what-we-do/research/tcp.

Best Available and Safest Technology (BAST)

Section 21(b) of OCSLA states, "on all new drilling and production operations and, wherever practicable, on existing operations, the use of the best available and safest technologies which the Secretary determines to be economically feasible, wherever failure of equipment would have a significant effect on safety, health, or the environment, except where the Secretary determines that the incremental benefits are clearly insufficient to justify the incremental costs of utilizing such technologies." BSEE identifies and analyzes safety critical equipment used on the OCS and evaluates the regulatory requirements to determine regulatory gaps and potential closure actions. This evaluation process is done on an annual basis and ensures that risks involved in low-probability high-consequence events are properly mitigated using BAST. More information on the BAST process can be found at: https://www.bsee.gov/what-we-do/offshore-regulatory-programs/emerging-technologies/BAST.

Information Technology (IT) and Data Stewardship

BSEE has been working to develop and maintain IT investments by enhancing the Bureau's capability to collect and manage data. Enhanced data use allows BSEE to make better decisions and make data available to the public in an accessible way while protecting privacy, proprietary information, and confidential business information. In FY 2024 and FY 2025, BSEE will continue working with industry to promote wider use of ePermits for the submission of industry OSRPs to BSEE.

BSEE has incorporated the implementation of the Business Intelligence (BI) Tool in the construction of an integrated BI environment, including software and hardware components that consolidate data from a broad spectrum of data repositories. The first phase of BI has been implemented into the production environment, which includes the data queries associated with BSEE reports around production and inspection information. The next phase focused on queries for tracking BSEE's internal Vital Statistics Program, which assesses key data points to better inform program activities and decisions. BSEE data will be presented through a logical data model that reflects business processes using a metadata-driven approach. This will allow the transition from a canned or custom report-driven approach to data analysis and discovery that gives users the power to independently obtain information. The metadata layer will

allow for the development of a web-enabled, role-based dashboard built on Oracle's BI Foundation Suite and the mapping of current users to the newly developed security model.

BSEE will continue to work within DOI and with Federal partners throughout FY 2024 and FY 2025 to promote the development and implementation of effective cybersecurity and infrastructure security on the offshore assets it regulates, with a particular focus on Industrial Control System security and program resource build out to support the development, implementation, and sustainment of a program that will reduce OCS cybersecurity risk. BSEE began developing a strategy in FY 2023 that addresses issues raised in a recent GAO report (Offshore Oil and Gas: Strategy Urgently Needed to Address Cybersecurity Risks to Infrastructure | U.S. GAO) and will include risk assessment; identifying BSEE objectives, activities, and performance measures; and identifying roles, responsibilities, coordination needs, and necessary resources and investments.

Human Capital Management

Critical to meeting BSEE's mission goals is the ability to recruit, develop, and retain a diverse workforce that is accountable, competent, and engaged. BSEE competes directly with industry, which can offer higher salaries, when recruiting for mission-critical engineering, geoscientist, and inspector positions. BSEE has taken several steps over the past several years to increase its competitiveness, including obtaining special pay authorization for mission critical occupations, expanding the use of recruitment incentives, and executing a concerted hiring initiative focused on filling key vacancies. As a result of these efforts, BSEE now has attracted the expertise and staffing levels needed to ensure mission delivery. The Bureau expects that recruiting and retaining highly qualified staff will be a continual challenge. To mitigate the risk of key staff losses, BSEE will continue to utilize all hiring and compensation flexibilities including recruitment and retention bonuses and student loan repayments. BSEE also plans to dedicate significant training resources to expand the skills of its workforce as well as its employee engagement activities. In addition, in FY 2024, BSEE will continue to focus on expanding the development of its Human Capital Operating Plan that aligns with DOI's goal of *Building a 21st Century Workforce*, as well as BSEE's strategic vision to "sustain an accountable, competent and engaged workforce."

Oil Spill Preparedness Verification (PV)

BSEE maintains its commitment to environmental stewardship and the responsible use and protection of the natural environment through conservation, enforcement, and sustainable practices. BSEE plays a key role in supporting the Nation's response posture for oil spills that can affect public health and the environment. The PV role ensures offshore facility owners and operators meet the oil spill response preparedness standards set forth by the Clean Water Act, OPA 90, and 30 CFR Part 254. The Oil Spill Research Program (OSRP) is the key tool to assure the American public that offshore energy exploration and production fosters environmental stewardship. BSEE approves OSRPs when an offshore operator has demonstrated it has the resources and skills to respond to a worst-case discharge quickly and effectively to the maximum extent practicable.

Exercises and inspections are key tools used by BSEE to verify the preparedness posture of facility operators and their spill response contractors. BSEE's Government Initiated Unannounced Exercise (GIUE) test the ability of operators and contractors to interact with regulatory agencies and implement the

processes laid out in their OSRPs. Preparedness analysts design GIUE scenarios that provide training and practice of strategic and tactical preparedness, and protection, response, and recovery capabilities in a risk-reduced environment. These exercises are complemented by periodic audit of operator-led exercises and inspections to verify equipment inventories listed in OSRPs are accurate and that the equipment is maintained and in proper working order as specified by the manufacturer.

In FY 2025, BSEE will continue conducting its OSRP reviews, response equipment inspections, and exercise and training audits on renewable energy facilities as more facilities undergo installation and operation. The first two OSRPs for offshore wind facilities were submitted to BSEE in early FY 2023, with an increasing number expected through FY 2025 and beyond. Renewable energy facilities present their own unique oil pollution issues. Consequently, BSEE is working with BOEM and USCG-led Area Committees and Regional Response Teams within renewable energy lease jurisdictions to ensure contingency plans incorporate appropriate oil spill preparedness measures.

In FY 2024 and FY 2025, BSEE will continue its efforts with owners and operators, co- and prior-lessees responsible for decommissioning, decommissioning contractors, and the USCG to ensure that the government and all potential responsible parties are prepared to respond to discharges that could occur from decommissioning activities.

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FY 2025 BUDGET JUSTIFICATION

Bureau of Safety and Environmental Enforcement

Administrative Operations Activity

Table 5: Administrative Operations Activity Budget Summary ($000)

Administrative Operations	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR (+/-)
Administrative Operations	**19,292**	**19,292**	**+600**	**-1,000**	**+883**	**19,775**	**+483**
FTE	*225*	*248*	*-*	*-7*	*-*	*241*	*-7*

Summary of 2025 Program Changes for Administrative Operations

Request Component	($000)	FTE
Program Changes:		
Zero Emission Vehicles	+183	-
Baseline Capacity - 2024 Fixed Costs	+700	-
TOTAL Program Changes	**+883**	**+0**

The Administrative Operations Activity funds the full suite of administrative services for BSEE. This includes Finance, Acquisitions, Human Resources, Information Technology and Data, Management Support, and Records and Directives. In addition, BSEE's Office of Administration provides administrative services to BOEM, and on a more limited basis, services to other clients, such as the Office of the Secretary, on a reimbursable basis.

BSEE's Office of Administration, in partnership with clients it supports, is continually working to advance its administrative support posture to improve services and provide the Bureaus' programs with the tools needed to meet mission requirements effectively. The Office of Administration will continue to establish best practices and enhance efficiencies using funding to meet targeted administrative initiatives including human capital, data stewardship, and records management.

BSEE is committed to maintaining a diverse workforce that is accountable, competent, engaged, and held to a high standard of integrity. BSEE upholds this standard through commitments to ethics, accountability, training, professional development, and mutual respect and recognition between the Bureau's regions and headquarters.

JUSTIFICATION OF 2025 PROGRAM CHANGES

The FY 2025 budget request for Administrative Operations is $19.8 million and 241 FTE, an increase of $500,000 and a decrease of 7 FTE from the FY 2024 annualized CR.

Baseline Capacity (+$700,000; +0 FTE): The 2025 budget includes important investments which help strengthen America to be more competitive as the world continues to change. These investments include the funding needed to maintain a strong, talented workforce, and other must pay requirements needed to continue to deliver BSEE's mission. The budget includes $700,000 in this Activity which reflects the incremental amount needed to cover fixed cost requirements in FY 2024. This request in combination with the FY 2025 fixed costs amounts are needed to meet the must pay operational requirements without impacting program activities.

Zero Emission Vehicles (ZEVs) (+$183,000; +0 FTE): The request for BSEE includes $183,000 to support vehicle fleet lifecycle replacement, fleet requirements analysis, charging infrastructure planning and deployment, and fleet capabilities assessments. Across Interior, the 2025 request includes $13 million for this purpose. This funding will continue Interior's efforts to right-size its fleet and replace vehicles with more efficient, mission capable, ZEVs at the right locations and with the right vehicle mix to deliver Interior's missions. BSEE's fleet planning efforts will continue to ensure ZEVs are integrated into the overall fleet plan, prioritizing locations and appropriate missions for deployment of these vehicles. Additionally, this funding will assist BSEE with adapting electric vehicle support equipment planning and deployment to address installation requirements which vary by geographic region. Finally, this funding provides BSEE with the necessary support to coordinate fleet lifecycle replacement with infrastructure deployment.

INTERNAL TRANSFERS

EEO Program (-$1,000,000; -7 FTE): BSEE is transferring $1.0 million and 7 FTE from the Administrative Operations Budget Activity to the Executive Direction Budget Activity in accordance with the Elijah E. Cummings Federal Employee Antidiscrimination Act of 2020, which requires all Bureaus to have its EEO director report directly to the head of the Bureau.

General Change in Base Appropriated Funding to Offset Offsetting Collections (-$1,209,000; -0 FTE): The proposed change to appropriated funding offsets the estimated increase in rental receipt collections based on the latest projections provided by BOEM. There are no programmatic changes associated with this shift.

Changes in Offsetting Collections (+$1,209,000; +0 FTE): Rental receipts are estimated to increase based on the latest projections provided by BOEM. There are no programmatic changes associated with this shift.

PROGRAM OVERVIEW

Acquisition Management Division (AMD)

By collaborating with its customer organizations, AMD creates quality business solutions that help to accomplish the mission goals of clients. AMD is responsible for the execution and administration of BSEE and BOEM contracts and financial assistance agreements. The Division provides acquisition and financial assistance policy guidance, cost and price analysis, and advice to procurement and program personnel. AMD conducts acquisition management and other internal control reviews of procurement activities throughout the year. AMD administers the purchase line of the BSEE and BOEM charge card programs, as well as the competitive sourcing programs. It also manages the Small and Disadvantaged Business Utilization and Development program, maximizing opportunities for small, disadvantaged, and women-owned businesses, as well as historically black colleges and universities as both prime contractors and subcontractors. Work includes overseeing and managing all career management programs for acquisition purposes.

Finance Division (FD)

The FD provides a full range of accounting and financial management services to BSEE and BOEM. These services include processing commercial and intergovernmental payments, auditing travel payments, collecting fees and administrative debts, preparing financial reporting requirements, and maintaining financial systems and tools that support these functions. The Division is the primary Bureau audit liaison for the Chief Financial Officer audit as conducted by an independent audit firm with oversight from the Department's Office of Inspector General. The FD administers the travel line of the BSEE and BOEM charge card programs and maintains the program of internal controls over financial reporting. In addition, the FD develops and implements financial policies, procedures, and guidelines and provides advice and guidance related to financial matters. The Division liaises with Departmental policy offices, including the Office of Financial Management and the Office of Acquisition and Property Management, and other Federal agencies. It also coordinates with BSEE's and BOEM's Offices of Budget and with the Department's Office of Budget. Staff members represent the Bureau on a variety of Departmental and government-wide teams dealing with financial policy, procedures, and systems.

Human Resources Division (HRD)

The HRD develops and implements policies, procedures, guidelines, and standards relating to general personnel management, recruitment and employment, position management and classification, employee relations, employee benefits, incentive awards, retirement, and employee development. Work includes performing all operational personnel services for BSEE, BOEM, and other client organizations, and providing assistance and guidance related to personnel matters for all regional and field installations.

Additionally, the HRD works on several strategic human capital initiatives for the Bureau, including partnering with office heads and Regional Directors on workforce and succession planning efforts. The Division also manages human capital analytics, including the Vital Statistics on Human Capital that is published quarterly. The HRD provides a robust Leadership Development Program for all workforce levels through formal and informal programs. It has an engagement strategy for new employees from their

first day through their first year. The HRD also handles Federal Employee Viewpoint Survey administration, analysis of results, and any targeted focus groups or action planning needed. The HRD offers various facilitation services, including meeting facilitation, certified facilitation, focus groups, organization development, and action planning.

BSEE'S HRD has a strong presence in several relevant DOI workgroups, communities of practice, councils, and boards, contributing to various Personnel Bulletins and Departmental Manuals. Recognized by the Department for several best practices in staffing, BSEE HRD has partnered with the Department on administering internal accountability reviews across other DOI human resources offices. The HRD provides Executive Resources services for all levels of Senior Executive Service and Political Appointees in the DOI Office of the Secretary, BOEM, BSEE, and other client organizations.

Management Support Division (MSD)

The MSD provides a full suite of management support services including organizational management, occupational safety and health, physical security, emergency management, personnel security, and support services to BOEM and BSEE.

The MSD manages the Organizational Management Program, which includes delegations of authority, management and organization analysis activities, and program management.

The office manages the joint BSEE/BOEM Safety and Occupational Health Program, including the development and coordination of safety program policies, directives, and alternate or supplemental standards and guidelines. To ensure the security of employees in all BSEE facilities, the MSD provides oversight and expertise on physical security requirements, ensuring compliance with Federal and Department policies, guidelines, and directives. The Bureaus' emergency management program is managed by MSD. This includes the Continuity of Operations Plan to ensure mission critical functions continue during times of emergency or catastrophic events. The MSD plans, implements, and directs the physical and personnel security programs, including development and implementation of policy, procedures, methods, and techniques for protection of proprietary and national security information.

The MSD is responsible for providing day-to-day facility and support services to the BOEM and BSEE Directors, program managers, and employees. The MSD performs printing and publications activity, space management, and graphics services. The MSD maintains accountability records of all system-controlled property in the possession and control of custodial property officers and contractors, and manages the vehicle fleet and museum property, including the Arts and Artifacts program.

Technology Services Division (TSD)

The TSD ensures the efficient and effective planning, management, and acquisition of IT and information resources within BSEE, BOEM, and ONRR. The Division ensures compliance with all Federal Information Technology Acquisition Reform Act (FITARA) requirements, as well as other government-wide and Departmental priorities. The TSD clearly defines the IT needs of the Bureaus' mission and enterprise services and fulfills those needs as appropriate.

The TSD provides a central foundation to manage the large volume of information and data used in the scientific, engineering, and management activities of BSEE's and BOEM's programs. TIMS is the Bureaus' core mission application, and provides the tools needed to manage the wide array of data and information needed to accomplish the Bureaus' day-to-day mission requirements effectively. TIMS automates the business and regulatory functions of BSEE and BOEM and brings diverse information into a central database. This enables BSEE and BOEM Regions and Headquarters to share and combine data; standardize processes, forms, reports, and maps; promote the electronic submission of data; enforce data integrity through relational database technology; and release accurate, consistent information to the public. The TSD, in partnership with the service contract partner, is undertaking a long-term modernization effort for TIMS. Ongoing efforts include a Cloud Readiness Assessment to facilitate TIMS Cloud migration and Zero Trust Architecture implementation, to include Multi-Factor Authentication, Data-at-Rest, and Data-in-Transit implementation.

In support of the strategic goals of BSEE, BOEM, and ONRR, the TSD continues to collaborate with its customer base to redesign its information and knowledge management tools, and enhance the collection, standardization, accuracy, completeness, consistency, and storage of data. These efforts will increase the Bureaus' ability to collaborate across current process and software divisions. Improved data management and analysis will allow the Bureau to better identify trends and statistics critical to assessing broader indicators of risk. A more collaborative and streamlined knowledge management system will also better enable Bureau-wide innovation and adaptation in all aspects of offshore safety, response preparedness, and environmental protection.

The TSD also manages and maintains the Geological Interpretive Tools (GIT) system, which represents the basis of nearly all BOEM determinations requiring geoscience analysis. GIT allows BOEM to improve productivity by quantifying analyses, analyzing digital data in three-dimensions, fully integrating geophysical and geological data analysis, and reducing risks and uncertainty in decision-making processes. In addition, the TSD has developed an extensive Geographic Information System capability for nearly all BSEE and BOEM offshore maps and leasing processes, providing the means to define, describe, analyze, and account for every acre of Federal lands on the OCS.

The Division provides direction and coordination for Bureau-wide IT activities such as IT Capital/Strategic Planning, with an emphasis on IT investment planning and monitoring through a rigorous governance process. It also provides support for the overall infrastructure, including the shared services budget, enterprise help desk, network management, and other essential infrastructure for office automation. The TSD implements and supports the Bureau's IT security program by working collaboratively with BSEE and BOEM offices, as well as with DOI's Office of the Chief Information Officer to review and improve security plans, policies, procedures, and standards to reflect technological changes. The IT security efforts include participating in risk assessments and management reviews of systems and networks, identifying security issues, recommending mitigation, and promoting compliance with FITARA.

The TSD also organizes and facilitates data sharing with program offices, Bureaus, stakeholders, and the public, and coordinates data stewardship activities with DOI data teams. In addition, the division works with the Programs and Divisions to develop and maintain an overall data architecture, data resource model, and data strategy, and to manage the data as a corporate resource.

Records, Delegations, and Directives Team (RDDT)

The RDDT oversees BSEE's records management program under 36 CFR Part 1220.10(b) and 1220.30-34 to provide effective management of the creation, maintenance, use, preservation, and disposition of BSEE records in any format, including electronic records. The staff serves as the official BSEE liaison and accounts manager for various Department e-records management services, including the eMail Enterprise Records and Document Management System (eERDMS), and records solutions for MS360; coordinates the BSEE Records Liaison Network; and is the lead for future Controlled Unclassified Information markings activities.

The Directives Processing unit services all of BSEE to ensure the controlled processing, dissemination, and recordkeeping of Bureau official directives. RDDT sets processing policy, coordinates a BSEE Directives Liaison Network, and maintains the BSEE Manual of Directives. RDDT administers the Document Tracking System for the Bureau, maintains and disseminates internal forms, and supports BSEE document production.

FY 2025 BUDGET JUSTIFICATION

Bureau of Safety and Environmental Enforcement

Executive Direction Activity

Table 6: Executive Direction Activity Budget Summary ($000)

Executive Direction	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR (+/-)
Executive Direction	**18,793**	**18,793**	**+575**	**+1,000**	**+650**	**21,018**	**+2,225**
FTE	*78*	*106*	-	*+7*	-	*113*	*+7*

Summary of 2025 Program Changes for Executive Direction

Request Component	($000)	FTE
Program Changes:		
Baseline Capacity - 2024 Fixed Costs	+650	
TOTAL Program Changes	**+650**	**+0**

The Executive Direction Activity funds Bureau-wide leadership, direction, management, coordination, communications strategies, and outreach. The Office of the Director and key management positions in the Regional Directors' offices are funded within this activity. It also includes functions such as budget, congressional and international affairs, public affairs, and policy and analysis**.**

BSEE will continue to make informed decisions by improving knowledge sharing, data use, and collaboration with internal and external stakeholders. This goal is accomplished through consistently documented policies and procedures; robust internal controls to ensure effectiveness and efficiency of operations, compliance with applicable laws, and implementation of policies and procedures; and making available and shareable consistent, reliable data.

JUSTIFICATION OF 2025 PROGRAM CHANGES

Baseline Capacity (+$650,000; +0 FTE): The 2025 budget includes important investments which help strengthen America to be more competitive as the world continues to change. These investments include the funding needed to maintain a strong, talented workforce, and other must pay requirements needed to continue to deliver BSEE's mission. The budget includes $650,000 in this Activity which reflects the incremental amount needed to cover fixed cost requirements in FY 2024. This request in combination

with the FY 2025 fixed costs amounts are needed to meet the must pay operational requirements without impacting program activities.

INTERNAL TRANSFERS

EEO Program (+$1,000,000; +7 FTE): BSEE is transferring $1.0 million and 7 FTE from the Administrative Operations Budget Activity to the Executive Direction Budget Activity in accordance with the Elijah E. Cummings Federal Employee Antidiscrimination Act of 2020, which requires all Bureaus to have its EEO director report directly to the head of the Bureau.

General Change in Base Appropriated Funding to Offset Offsetting Collections (-$207,000; -0 FTE): The proposed change to appropriated funding offsets the estimated increase in rental receipt collections based on the latest projections provided by BOEM. There are no programmatic changes associated with this shift.

Changes in Offsetting Collections (+$207,000; +0 FTE): Rental receipts are estimated to increase based on the latest projections provided by BOEM. There are no programmatic changes associated with this shift.

PROGRAM OVERVIEW

Office of the Director

The Office of the Director includes the Director and immediate staff. This office is responsible for providing leadership direction and policy guidance within the BSEE organization, as well as managing all official documents within the Office of the Director.

Integrity and Professional Responsibility Advisor (IPRA)

The IPRA is responsible for promptly and credibly responding to allegations or evidence of misconduct, unethical behavior, and unlawful activities by BSEE and BOEM employees. The IPRA refers internal misconduct cases to the DOI's OIG when allegations meet the required criteria for referral.

Office of Budget

The Office of Budget provides budget analysis and guidance for the formulation, Congressional, and execution phases of the budget cycle. During the budget formulation cycle, the office develops and maintains all budgetary data to support BSEE’s budget requests to the Department, the Office of Management and Budget, and Congress. During the Congressional phase, the Office of Budget tracks the appropriations process, coordinates the preparation of capability and effect statements, and provides answers to House and Senate questions. Throughout the execution phase, the Office of Budget tracks spending against line item budgets, analyzes budgetary and expense data, and provides regular updates to BSEE executives on the status of funds. The office is also responsible for managing BSEE’s Activity-Based Costing Program, which tracks direct and indirect costs by activity.

Office of Policy and Analysis (OPAA)

OPAA serves as the principal office to provide senior bureau management with independent review and analysis of programmatic and management issues. Additionally, the office leads, coordinates, and monitors many cross-program initiatives, assuring consistent implementation across BSEE that directly supports Congressional, Presidential, and Departmental directives, laws, mandates, and guidance. OPAA fulfills the Director's responsibilities in several critical areas including strategic and performance planning, policy development and management, enterprise risk management, and program evaluation and internal controls. It is also responsible for ensuring that programmatic plans and policies are consistent with and integrated into the overall bureau mission and responsibilities, as well as with Department and Administration policy and strategic frameworks. In addition, the office houses BSEE's Scientific Integrity Officer, administers and coordinates internal reviews, and oversees and assures implementation of recommendations made by oversight organizations such as the Government Accountability Office and the Office of Inspector General.

Office of Public Affairs (OPA)

OPA is responsible for BSEE's internal and external communication strategies as well as outreach to stakeholders, employees, and the media. The mission of OPA is to inform all stakeholders about BSEE's mission and programs via effective communication products that align with all levels of the Department of the Interior. The office leads BSEE in the implementation of an inclusive outreach program to numerous target audiences, including State and local governments, Tribal Nations, other Federal agencies, the energy industry, related trade associations, the environmental and conservation communities, energy consumer groups, the general public, employees, and the press.

Office of Congressional and International Affairs (OCIA)

OCIA serves as BSEE's primary point of contact for the U.S. Congress and BSEE's international counterparts. OCIA is responsible for the coordination of all communication and engagements as well as ensuring consistent messaging and effective exchanges of information in these areas. OCIA provides technical and drafting assistance to congressional staff on legislative proposals that could impact the Bureau. OCIA also manages and analyzes the Bureau's international programs and policies, including structuring international cooperation agreements, organization of technical exchanges, and support of BSEE's engagement in international forums for offshore energy and mineral regulators. OCIA coordinates with the Department's Office of Congressional and Legislative Affairs and Office of International Affairs, the Department of State, and the international programs within all relevant U.S. agencies, such as the Department of Energy, the Department of Commerce, and the Department of the Treasury.

Equal Employment Opportunity Division (EEOD)

EEOD develops, monitors, and operates the EEO program for BSEE in compliance with Title VII of the Civil Rights Act of 1964, as amended; the Equal Pay Act of 1963; the Age Discrimination in Employment Act of 1967, as amended; Section 501 and 505 of the Rehabilitation Act of 1973, as amended; Title II of the Genetic Information Nondiscrimination Act of 2008; Departmental directives;

and other related statutes and orders. Its goal is to ensure that workforce activities are inclusive, and that they promote the full utilization and exchange of skills and talents.

The Division provides advice and guidance to managers, supervisors, employees, and applicants for employment regarding EEO policies and procedures. EEOD provides technical advice and consultation to managers on recruitment strategies for affirmative employment designed to improve low participation rates of various groups in BSEE. EEOD provides oversight of special initiative programs designed to involve more women, minorities, and people with disabilities throughout all levels of the Bureau. To enhance the ability to prevent and correct discrimination in the workplace, the EEOD provides critical training on EEO and DEIA matters. In addition, the Division provides EEO counseling and mediation services, as well as formal EEO complaint processing.

FY 2025 BUDGET JUSTIFICATION

Bureau of Safety and Environmental Enforcement

Offshore Decommissioning Activity

Table 7: Offshore Decommissioning Budget Summary ($000)

Offshore Decommissioning	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR (+/-)
Offshore Decommissioning	**3,000**	**3,000**	**-**	**-**	**+9,000**	**12,000**	**+9,000**
FTE	-	-	-	-	-	-	-

Summary of 2025 Program Changes for Offshore Decommissioning

Request Component	($000)	FTE
Program Changes:		
Offshore Decommissioning	+9,000	+0
TOTAL Program Changes	**+9,000**	**+0**

The Offshore Decommissioning Activity funds the long-term protection of resources and the surrounding environment by ensuring the proper closure and removal of infrastructure used to develop energy or mineral resources on the OCS. The decommissioning of offshore orphaned infrastructure that are no longer useful for operations will be a growing portion of BSEE's oversight activities. Orphaned infrastructure includes wells, structures, or pipelines left on the OCS following termination of the underlying lease or right of way without having been decommissioned to regulatory standards and for which there is no remaining liable party capable of performing decommissioning. The maintenance, monitoring, and decommissioning costs associated with such orphaned infrastructure, less any financial assurance proceeds held by BOEM, is called orphaned liability. BSEE issues contracts to perform decommissioning services on orphaned conventional energy infrastructure.

In FY 2019, BSEE revised its guidance to industry on the timeliness of decommissioning activities to reduce the environmental and financial risk of idle infrastructure on active leases being damaged by increasingly intense severe weather—such as hurricanes—due to climate change. The timeframe for permanent removal before lease termination may range from 5-7 years after production has ceased. Implementation of the revised guidance includes BSEE communicating with operators about their idle infrastructure and ordering that further decommissioning actions be taken if necessary. BSEE will continue to focus in FY 2025 and beyond on strengthening the organization's decommissioning oversight capabilities to meet end-of-life-cycle demands.

JUSTIFICATION OF 2025 PROGRAM CHANGES

The FY 2025 budget request for Offshore Decommissioning is $12.0 million and 0 FTE, a program change of +$9.0 million and +0 FTE from the FY 2024 annualized CR.

Offshore Decommissioning (+$9,000,000; +0 FTE): The Administration is committed to addressing orphan oil and gas wells that pose serious safety hazards and cause ongoing air, water, and other environmental damage across the U.S. As part of this initiative, BSEE is requesting $9.0 million above the FY 2024 annualized CR level to properly plug and abandon orphaned wells on the OCS and properly decommission associated orphaned pipelines and structures. This funding would augment forfeited financial assurances from operators and funds from bankruptcy proceedings to address the most immediate and urgent needs for proper plugging, abandonment, and decommissioning of orphaned wells, pipelines, and structures to reduce the risk of pollution and eliminate safety hazards.

PROGRAM OVERVIEW

Decommissioning obligations are addressed in 30 CFR 556.604(d): "Every current and prior record title owner is jointly and severally liable, along with all other record title owners and all prior and current operating rights owners, for compliance with all non-monetary terms and conditions of the lease and all regulations issued under OCSLA, as well as for fulfilling all non-monetary obligations, including decommissioning obligations, which accrue while it holds record title interest." BOEM oversees the program for obtaining general bonds and supplemental bonds (i.e., financial assurances) to cover decommissioning obligations to protect the American public in cases such as bankruptcy.

BSEE has the responsibility to ensure all offshore energy infrastructure is decommissioned when no longer useful for operations. By regulation, conventional energy infrastructure is required to be decommissioned within one year after lease expiration. In addition, BSEE's "Idle Iron" Program targets inactive wells and facilities that have no future utility on active leases and requires operators or lessees to decommission such infrastructure, even if the lease is still active. It is in the taxpayer's best interest to decommission idle infrastructure in a timely manner to ensure it does not pose a safety or environmental threat and is not an obstruction to other users of the OCS.

Using actual decommissioning expenditure data from conventional energy OCS operators since 2016, BSEE estimates there is between $33 billion and $47 billion in decommissioning liability for all conventional energy leases on the OCS. BSEE's analysis of actual expenditure data continues to strengthen the BSEE algorithms used to estimate decommissioning costs that are used by BOEM to ensure the proper financial assurance is in place. Additionally, while bankruptcies do not change the process for estimating decommissioning costs, they are prioritized and become a critical and urgent part of BSEE's workload.

In January 2024, BSEE awarded its first task order to conduct initial platform inspections, perform the necessary repairs for safe platform operations, perform well diagnostic testing, and perform wellbore decommissioning on orphaned infrastructure in the Matagorda Island Area of the Gulf of Mexico. In FY 2025, BSEE will continue issuing contracts to perform decommissioning services for Gulf of Mexico OCS conventional energy infrastructure orphaned by bankrupt operators when no other jointly or

severally liable parties existed. These contracts will fund the proper plugging and abandonment of orphaned wells and ultimately fund the proper decommissioning of the associated orphaned pipelines and structures.

Opportunities and Challenges

The offshore oil and gas industry has made progress in the amount of infrastructure decommissioned over recent years. For example, in the 1990s and early 2000s, there were approximately 4,000 platforms and 15,000 wells on the OCS. Today, there are approximately 1,670 platforms and 7,700 wells remaining. Many of these remaining facilities still produce oil or natural gas and are not yet due for decommissioning.

To help ensure timely decommissioning, BSEE issues violation notices in the form of INCs to responsible parties that have failed to decommission all lease facilities and wells within one year of the lease termination. Additionally, BSEE issues orders to operators to decommission facilities and wells on active leases that no longer have future utility (i.e., idle iron). BSEE continues to track infrastructure that is required to be decommissioned and enforces such requirements, consistent with timelines provided by regulation and/or notices to lessees. Such enforcement actions help to reduce safety and environmental risks that may exist while the infrastructure remains on the OCS.

BSEE revised its policies for enforcing decommissioning timelines in FY 2019 and began issuing orders to address idle infrastructure. Since FY 2019, BSEE ordered operators to decommission over 700 idle wells and 50 idle structures. BSEE continued to analyze operator decommissioning performance and is taking additional steps, as needed, to balance compliance, safety, conservation, and environmental stewardship. In FY 2021, BSEE initiated a review of current decommissioning enforcement processes and began developing a framework using existing authorities to better communicate obligations and enforce consequences of not performing timely decommissioning and failing to meet regulatory requirements.

BSEE has begun developing a strategy in FY 2024 to address issues raised in GAO Report 24-106229, *Interior Needs to Improve Decommissioning Enforcement and Mitigate Related Risks*. This strategy will include risk assessment, identification of BSEE objectives, activities, and performance measures. Additionally, it will address roles and responsibilities, coordination, and identification of needed resources and investments.

In FY 2024 and FY 2025, BSEE will continue its efforts with owners and operators, co- and prior-lessees responsible for decommissioning, contractors performing decommissioning activities, and the USCG to ensure that the government and all potential responsible parties are prepared to respond to discharges that could occur from decommissioning activities.

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FY 2025 BUDGET JUSTIFICATION

Bureau of Safety and Environmental Enforcement

Renewable Energy Operations

Table 8: Renewable Energy Operations Budget Summary ($000)

Renewable Energy Operations	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR (+/-)
Renewable Energy Operations	**-**	**-**	**+50**	**+12,500**	**-**	**12,550**	**+12,550**
FTE	**-**	**-**	-	*+46*	**-**	*46*	*+46*

The Renewable Energy Operations Activity would fund the research and personnel necessary for BSEE to support the safe and environmentally responsible development and production of offshore wind and other renewable energy sources on the U.S. OCS. BSEE is engaging with offshore wind developers to identify and promote best practices for ensuring worker safety and environmental protection. Engagement with industry, Federal partners including BOEM and the USCG, and non-federal stakeholders continues to inform the development of renewable energy program functions to: (1) promote safe and environmentally responsible facility design, fabrication, installation, operation, and decommissioning; (2) implement a performance-based safety approach through a focus on Safety Management Systems (SMS); and (3) enforce compliance with all applicable safety, environmental, and conservation laws and regulations.

PROPOSED BUDGET ACTIVITY

The burgeoning offshore wind industry as well as the Biden-Harris Administration and Department of the Interior offshore wind goals necessitate the creation of a Renewable Energy Operations budget activity in FY 2025 to support the bureau's significant increase in operational oversight activity and provide more effective management in executing renewable energy activities. Currently, BSEE funds its Renewable Energy Program through the Operations, Safety and Regulation and Environmental Enforcement Activities. In FY 2025, these resources would be transferred to the new Renewable Energy Operations Activity as shown in the following table.

Table 9: Renewable Energy Operations Internal Transfer Crosswalk ($000)

Activity	2024 CR	2025			
		Internal Transfers	Fixed Costs	President's Budget	Change From 2024 CR
Environmental Enforcement	400	-400	-	-	-400
Operations, Safety and Regulation	12,100	-12,100	-	-	-12,100
Renewable Energy Operations	-	+12,500	+50	12,550	+12,550
Total	**12,500**	**-**	**-**	**12,550**	**-**

JUSTIFICATION OF 2025 PROGRAM CHANGES

The proposed FY 2025 budget request for Renewable Energy Operations is $12.5 million and 46 FTE. There are no proposed program changes for this activity.

INTERNAL TRANSFERS

Renewable Energy Operations Budget Activity ($12,500,000; +46 FTE): This internal transfer would move funding that was previously allocated to the Environmental Enforcement and Operations, Safety and Regulation Activities for renewable energy functions to the requested new Renewable Energy Operations Activity.

PROGRAM OVERVIEW

Renewable Energy Safety and Environmental Compliance

BSEE supports Administration efforts to strengthen American infrastructure and build a clean energy economy that will create millions of new good-paying jobs. On September 14, 2022, Departmental Manual Chapters 118, 218, and 219 were amended to administratively reassign from BOEM to BSEE responsibilities related to renewable energy activities and alternate uses of existing facilities on the OCS. In January 2023, a final rule was published in the Federal Register that similarly reassigned regulations pertaining to renewable energy safety, environmental oversight, and enforcement from BOEM's chapter at 30 CFR § 585 to BSEE's chapter at 30 CFR § 285.

The Administration recognizes that a thriving offshore wind industry will drive new jobs and economic opportunity up and down the Atlantic Coast, in the Gulf of Mexico, and in Pacific waters. The industry will also spawn new supply chains that stretch into America's heartland, as illustrated by the 10,000 tons of domestic steel that workers in Alabama and West Virginia are supplying to a Texas shipyard where Dominion Energy is building the Nation's first Jones Act compliant wind turbine installation vessel. However, the commitment to job creation as this industry rapidly develops must include a commitment to ensuring those jobs are safe. Projections estimate there could be up to 77,000 workers in offshore wind by 2030, including 33,000 workers in communities supported by offshore wind activity, and many of their jobs will involve high-risk activities such as offshore crane operations and working at great heights.

In 2023, the first two offshore wind projects began construction, and on November 29, 2023, South Fork Wind became the first OCS wind project to deliver electricity to the grid; on January 3, 2024, Vineyard Wind became the second. By the end of 2024, it is expected that construction and installation will commence for four additional projects. An additional 18 wind energy projects are currently under review.

BSEE is responsible for ensuring safety and environmental compliance for construction and operations of offshore renewable energy projects on the Federal OCS. In addition to the ongoing activity in the Atlantic, in FY 2023, BOEM completed lease sales in the Gulf of Mexico and Pacific regions, so that by FY 2025 BSEE will be working nation-wide to ensure safety and compliance for this expanding industry.

BSEE is taking on new responsibilities for renewable energy workplace and process safety management, environmental protection, safety and environmental enforcement, and decommissioning and site restoration for OCS renewable energy development. Working collaboratively with BOEM, BSEE has initiated work on the safety and environmental enforcement operational functions necessary for making progress on DOI's renewable energy goals. This includes oversight of project SMSs that promote environmental compliance and worker safety; enforcement of regulations and lease terms; incident reporting and investigations; and oversight of the industry inspection plans required by DOI's renewable energy regulations. Healthy, Safety, and Environment (HSE) guidelines are being drafted to establish—along with an SMS framework—a solid, performance-based foundation that will support the design, operation, and decommissioning of offshore wind facilities.

BSEE is also proactively supporting environmental compliance and enforcement needs for the Department's regulated renewable energy activities by reviewing enforceability of standards, developing compliance protocols, and conducting compliance verification reviews. In FY 2023, BSEE's ECP reviewed and assisted with the coordination of 86 pre-operational renewable energy activities tied to leasing, NEPA analyses, Consultation and Coordination documents, and other 30 CFR §285 and 30 CFR §585 submittals. Additionally, ECP conducted more than 57 environmental compliance reviews of OCS renewable energy activities and recommended 10 enforcement actions. ECP continues to build renewable energy oversight capacity and knowledge across all regions.

BSEE currently utilizes an interdisciplinary team of technical and policy experts to conduct technical plan reviews and develop policies and procedures to ensure workplace safety and environmentally responsible offshore renewable energy development. In FY 2023, BSEE reviewed 131 renewable energy plans and reports and anticipates receiving over 40,000 documents by the end of 2025. BSEE subject matter experts are actively involved in the development of consensus U.S. design standards for offshore wind turbines and standards working groups to address offshore workplace occupational safety and worker training.

Dedicated funding in FY 2025 is critical for BSEE to establish core foundational functions to oversee the development of a safe, robust, and environmentally responsible offshore wind industry in the United States. The funding will enable timely and rigorous industry plan reviews, initiate a robust compliance assurance program, support renewable energy research, and demonstrate BSEE's commitment and leadership in driving safety performance in the offshore wind industry. BSEE will also be better positioned to garner cooperation from other Federal agencies given mandated permitting timelines and differing responsibilities for offshore wind development. DOI's performance-based regulatory approach provides the offshore wind industry with flexibility to adopt appropriate existing U.S. and/or international

standards and best practices to ensure worker safety and health. BSEE will adopt its risk assessment strategies and data analytics capabilities developed for the conventional energy program to address the hazards unique to worker health and safety on wind farms, and to drive safety performance and environmental compliance as this industry provides safe, reliable, and clean electric generation for the Nation.

Renewable Energy Research

BSEE research is expanding beyond traditional oil and gas activities to include renewable energy topics, such as turbine foundation structural health monitoring, floating turbine design and stabilization, digital twin technologies, advanced fire protection systems, remote inspection, and maintenance technologies that would provide tangible information to guide predictive maintenance and decision-making for optimal offshore wind turbine asset management. BSEE is also exploring pursuing operational studies focused on unmanned facility inspection optimization processes, SMS robustness, offshore wind HSE practices, and training to help ensure safe and responsible offshore development as this industry grows. In FY 2024 and FY 2025, the focus for renewables research includes structural health monitoring, inspection programs, site clearance, and methods for optimizing search and rescue operations and wind turbine battery back-up systems for Atlantic metocean conditions.

Bureau of Safety and Environmental Enforcement

Summary of Requirements - Oil Spill Research
(Dollars in Thousands)

Oil Spill Research	FY 2023 Actual	*FY 2023 Actual FTE*	FY 2024 Annualized CR	*FY 2024 Annualized CR FTE*	2025 Request Fixed Costs (+/-)	2025 Request Internal Transfers (+/-)	2025 Request Program Changes (+/-) ($)	*2025 Request Program Changes FTE (+/-)*	FY 2025 Request	*FY 2025 Request FTE*	*2025 Request Total Change from 2024 (+/-)*
Oil Spill Research (OSR)											
Oil Spill Research	15,099	*19*	15,099	*23*	-	-	-	-	15,099	*23*	-
Total, Oil Spill Research	**15,099**	***19***	**15,099**	***23***	**-**	**-**	**-**	**-**	**15,099**	***23***	**-**
TOTAL, OSR	**15,099**	***19***	**15,099**	***23***	**-**	**-**	**-**	**-**	**15,099**	***23***	**-**

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Bureau of Safety and Environmental Enforcement

Language Citations

Appropriations Language

Oil Spill Research Appropriation Account

For necessary expenses to carry out title I, section 1016; title IV, sections 4202 and 4303; title VII; and title VIII, section 8201 of the Oil Pollution Act of 1990, $15,099,000, which shall be derived from the Oil Spill Liability Trust Fund, to remain available until expended.

Note.--A full-year 2024 appropriation for this account was not enacted at the time the Budget was prepared; therefore, the Budget assumes this account is operating under the Continuing Appropriations Act, 2024 and Other Extensions Act (Division A of Public Law 118–15, as amended). The amounts included for 2024 reflect the annualized level provided by the continuing resolution.

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FY 2025 BUDGET JUSTIFICATION

Bureau of Safety and Environmental Enforcement

Oil Spill Research Appropriation

Table 10: Oil Spill Research Budget Summary ($000)

Oil Spill Research	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR (+/-)
Oil Spill Research	**15,099**	**15,099**	-	-	-	**15,099**	-
FTE	*19*	*23*	-	-	-	*23*	-

With the Oil Spill Research (OSR) Appropriation, the Bureau derives funding from the Oil Spill Liability Trust Fund to execute its delegated responsibilities in support of title I, section 1016; title IV, sections 4202 and 4303; title VII; and title VIII, section 8201 of OPA 90. BSEE executes these responsibilities through a robust world-class Oil Spill Preparedness (OSP) Program managed by the Oil Spill Preparedness Division (OSPD) that protects people and the environment by optimizing responses to offshore facility oil spills through: (1) regulatory oversight; (2) basic, applied, and developmental research; (3) integrated government and industry preparedness; and (4) accountability to the National Response System. The program has three main roles.

The Preparedness Verification (PV) role delineates BSEE's spill preparedness responsibilities pursuant to OPA 90. These ensure industry's compliance with OPA 90, 30 CFR Part 254, and any applicable contingency plans, including the National Oil and Hazardous Substances Pollution Contingency Plan (NCP).

The Oil Spill Response Research (OSRR) role within OSPD provides offshore owners and operators, as well as the government, with new or improved technologies, tools, and procedures to better combat oil spills. The technologies and data produced from robust government research and development inform regulatory updates, improve contingency plans, enhance response tools in oil spill removal organization (OSRO) equipment inventories, and support safe and environmentally sustainable operations for offshore energy exploration and development.

BSEE's Ohmsett Management role ensures the long-term use and operation of this unique facility, as mandated by OPA 90 section 7001(c)(7), and maximizes Ohmsett's potential for supporting oil spill research, response technology testing, and training for industry, academic, and government customers. Growth areas in 2025 include continued expansion of renewable energy research (specifically marine hydrokinetic energy, such as energy from waves and currents) and marine debris recovery. Ohmsett remains a critical asset for U.S. and international efforts to advance oil spill response technologies and

other offshore energy pursuits. The FY 2025 request addresses the key needs, knowledge, and technology gaps in the three roles of BSEE's OSP Program.

PROGRAM OVERVIEW

As a national leader in Federal oil pollution research, BSEE's OSP Program will continue to shepherd ongoing research and initiate new research projects that advance the collective knowledge of oil spills and development of new and better response technologies. Many projects evolve and progress over multiple years as new data is acquired and/or technology breakthroughs are made. The OSP Program contributes to BSEE's efforts to ensure that the Nation's offshore oil and gas exploration, development, and production activities in both State and Federal waters can proceed in a safe and environmentally responsible manner. This Program supports Executive Order 13990, *Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis*, and other related policies.

PERFORMANCE OVERVIEW

BSEE integrates all aspects of oil spill preparedness, response, and research activities to ensure that industry is prepared to respond to an offshore oil spill as quickly and effectively as possible.

BSEE's FY 2025 budget request is affected by change initiatives in response to internal and external program reviews. OSPD has aligned its operations and projects to support the BSEE FY 2023-2026 Strategic Plan's four objectives: Protection, Sustainability, People, and Reliability. BSEE will continue initiating workplans generated from annual internal program reviews as well as outstanding recommendations from a past programmatic review by the DOI OIG. The ongoing multi-year efforts include negotiating and implementing updated agreements with the USCG and the States of Alaska, California, and Louisiana. BSEE anticipates that similar agreements with Atlantic coastal states may need to be initiated during FY 2025 and subsequent years because of updates to the 30 CFR 254 regulations and as new offshore wind energy systems become operational. The agreements address BSEE and State cooperation related to OSRP reviews, joint inspections, exercise design and documentation, and enforcement. In addition, OSPD expects to be implementing regulatory changes due to updated 30 CFR Part 254 regulations, anticipated to be issued in FY 2024.

BSEE is also continuing its highly successful joint venture with the USCG to enhance the Nation's Area Contingency Plans (ACPs) with new annexes that discuss offshore facility oil spill response strategies and needs – a significant lesson learned from the 2010 *Deepwater Horizon* explosion and oil spill. This important initiative within the National Response System will be housed on the BSEE website (https://www.bsee.gov/what-we-do/oil-spill-preparedness/offshore-information-for-coastal-zone-area-contingency-planning), where various technical documents can then be incorporated by reference into the Nation's ACPs. OSPD completed posting all 11 technical documents supporting the Gulf of Mexico phase of the project during FY 2023 and shifted its focus to Alaska and the Pacific. In FY 2024 and FY 2025, BSEE will assess whether to initiate a similar project in the Atlantic, and when to begin revising information in the Gulf of Mexico, Alaska, and Pacific.

Meaningful and responsible research oversight is important for ensuring funded projects address the appropriate needs and are conducted efficiently. OSPD manages a Research Advisory Board (RAB) to

evaluate and advise OSPD's staff scientists and engineers regarding their project proposals. The RAB also has USCG representation and meets annually and as needed to evaluate proposed and ongoing research conducted by OSPD. These reviews inform annual spend plan decisions for the OSP Program. The reviews ensure that the oil spill response research is aligned with relevant and timely gaps identified from the government and industry, especially the needs recognized by the Interagency Coordinating Committee for Oil Pollution Research (ICCOPR). The RAB's project evaluation criteria are modeled after a similar approach used by the Department of Agriculture and described in 7 CFR § 3406.20.

Preparedness Verification (PV) Role

The functions that serve the PV role help the Bureau, State and Federal partners, and the industry to be ready to respond to an oil spill from an offshore facility by ensuring offshore facility owners and operators maintain approved comprehensive OSRPs, have access to sufficient caches of oil spill response equipment, and have adequate personnel training and management structures needed to respond to and mitigate a spill.

BSEE has been responding to the rapidly developing offshore renewable energy industry on the Atlantic Coast through policy development related to OSRP reviews and research regarding potential pollutants from renewable energy facilities. In FY 2025 and beyond, BSEE expects to continue increasing its engagement with the offshore renewable energy industry along the Atlantic Coast, as well as in other OCS regions. All four PV functions will apply to this emerging industry.

Under the PV Role, BSEE's OSPD executes the Bureau's function associated with the National Response Systems' (NRS) contingency planning and incident response elements. This program office implements the processes and procedures for the functions summarized in Figure 1 and detailed below:

Figure 1: Summary of important functions in the PV Role of the OSP Program.

Oil Spill Response Plan (OSRP) Oversight: In accordance with OPA 90 and 30 CFR Part 254, all owners and operators of offshore facilities seaward of the coastline that handle, store, or transport oil must submit an OSRP for approval before operations begin and must operate their facilities in accordance with that OSRP. BSEE is responsible for reviewing, approving, and rescinding OSRPs to ensure that the plan holder is prepared to respond to a worst-case discharge from its facility quickly and effectively to the maximum extent practicable.

The processes and procedures the Bureau established to manage OSRPs include:

- Providing objective, justifiable, and documented verification of the oil spill preparedness posture of offshore facilities' owners/operators, as required by 30 CFR Part 254;
- Guiding the regulatory and administrative focus of employee activities by detailing clear OSRP review direction inside established legal boundaries;
- Ensuring administrative consistency across the lifespan of an OSRP; and
- Developing administrative records for program office decisions.

BSEE also reviews numerous details within each section and appendix of OSRPs to verify the information complies with the requirements of 30 CFR Part 254 and the contents are consistent with the NCP as well as the appropriate Regional Contingency Plans (RCPs) and ACPs.

BSEE stays abreast of the latest advances in oil spill response technologies, policies, and procedures in order to consistently make correct judgments on the validity of an OSRP. This is reinforced with regular field visits to plan holders to carry out other regulatory responsibilities mandated by 30 CFR Part 254, such as inspecting response equipment, auditing response exercises, and evaluating the competencies of response personnel. BSEE personnel continually balance their time and resources between managing the Nation's OSRP library and operationally verifying the effectiveness of the OSRPs. In FY 2023, BSEE conducted 219 plan review activities to ensure that the 79 approved OSRPs remain up to date and in compliance with regulations.

In FY 2025, the Bureau will continue to apply and enhance its IT initiative that electronically processes OSRPs. BSEE's ePermits software has a sub-program, eOSRP, that allows plan holders to electronically submit their OSRPs to BSEE and to exchange correspondence. The system reduces the burden on operators and government analysts, and BSEE is continually making enhancements to improve its operation and efficiency.

Training and Exercise Evaluation: Facility owners/operators, spill response contractors, and governmental officials collectively use training and exercises to improve skills and validate the efficacy of an OSRP (Figure 2). These activities strengthen the tactical and strategic spill response and mitigation competencies in a risk-reduced environment.

Figure 2: A BSEE Senior Preparedness Analyst (left) discusses a training evolution with a team from a commercial spill removal organization prior to getting underway. (Photo from BSEE)

The Bureau evaluates the following training and exercise activities:

(1) *Industry-Initiated Exercise Audits*: BSEE verifies that offshore owners/operators conduct their required oil spill preparedness exercises. Within a triennial cycle, owners/operators must exercise their Qualified Individuals, Incident Management Teams, Spill Response Operating Teams, response equipment, and other resources and capabilities described within an OSRP. Bureau personnel attend these exercises in person and/or review documentation to confirm that the owner/operator conducts them.

(2) *Government-Initiated Unannounced Exercises (GIUEs)*: BSEE employs GIUEs to verify the proficiencies of owners/operators in following their approved OSRPs. The exercises allow the Bureau to witness and evaluate, on a no-notice basis, a plan holder's capabilities to use public and private equipment, resources, and staff to respond to a hypothetical oil spill. BSEE's OSPD regularly plans and executes these exercises in close coordination with other BSEE offices; Federal partners such as the USCG, NOAA, and PHMSA; and State government partners, all of whom have key roles associated with offshore oil spill preparedness and response.

(3) *Industry Training Audits*: Independent of exercises, offshore facility owners/operators must ensure the response personnel listed in their OSRP are periodically trained to operate response equipment or staff key incident management organizational positions. BSEE confirms the quality and frequency of this training by independently reviewing training records and/or attending the training in person.

In FY 2023, the Bureau conducted 11 GIUEs, including 2 major subsea capping stack deployment drills, and audited 100 training and industry exercise activities.

Equipment Verification: The Bureau evaluates the state of industry spill preparedness by verifying that the equipment listed in OSRPs is properly maintained, ready to be operated, and performs as specified by the manufacturer. BSEE verifies the continued adequacy of the inventories when new equipment is added or when equipment is temporarily or permanently removed. BSEE's OSPD staff regularly travel across the Gulf of Mexico states, California, and Alaska to visit storage depots to review inventory lists and visually inspect response equipment assigned to the 79 OSRPs. In FY 2023, the Bureau verified the condition and location of hundreds of pieces of response equipment located at 58 separate sites. The Bureau verifies equipment sufficiency through the following two approaches:

(1) *Records Reviews*: BSEE conducts records reviews and PV visits with OSROs contracted by offshore facility owners and operators to determine if oil spill response equipment is being inspected at required intervals, and if preventive and scheduled maintenance is being performed. The Bureau also verifies that equipment listed in OSRPs is present at the location(s) specified in the OSRP or can be accounted for; and

(2) *Function Testing*: BSEE conducts function testing of spill response equipment that has been modified, damaged, or repaired. The Bureau also conducts performance testing

of equipment claimed to have oil recovery capacities that are inconsistent with other data available to BSEE.

National Response System (NRS) Support: The Bureau's OSP Program is an important component of the NRS as promulgated and implemented by the NCP. The NCP provides a framework for coordination among Federal, State, and local responders and responsible parties to respond effectively to discharges of oil and hazardous materials. The framework includes four levels of contingency planning (national, regional, area, and industry site-specific) that guide preparedness and response efforts. BSEE maintains subject matter expertise on the intent, organization, and execution of the NRS to ensure that OSRPs are consistent with the system's tenets. BSEE's OSPD also provides liaison services, training and education, and incident-specific advice to the Bureau and to partnering agencies for issues associated with the NRS. The Bureau accomplishes its liaison responsibilities by participating in activities of 29 NRS groups and their development of contingency plans under the NRS. These include:

- National Response Team (NRT) and the NCP;
- Regional Response Teams (RRTs) and their respective RCPs;
- Coastal Area Committees (ACs) and their respective ACPs;
- Preparedness for Response Exercise Program (PREP) and the PREP Compliance, Coordination, and Consistency Committee (PREP 4C); and
- Incident Response.

Preparedness coordination under the NRS is an essential aspect to ensuring the success of a consistent national oil spill response preparedness program. The Bureau regularly attends meetings and supports activities of the NRT, RRTs, and ACs. The NRT convenes monthly and supports national level preparedness and response policies and programs. The Bureau also regularly supports the activities of several NRT subcommittees on response and preparedness issues. RRTs provide Federal On-Scene Coordinators with regional contingency planning guidance and serve as focal points for regional interagency contingency planning guidance. Similarly, ACs serve as focal points for contingency planning at the local level and are comprised of members of Federal, State, and local agencies.

Oil Spill Response Research (OSRR) Role

BSEE's OSRR role addresses the Bureau's oil spill research requirements under OPA 90 and provides valuable input to the PV role as well as providing industry with tools to improve oil spill preparedness and response. The technologies and data produced from robust government research and development inform regulatory updates, improve contingency plans, enhance the response tools in OSRO equipment inventories, and support safe and environmentally sustainable operations for offshore energy exploration and development. Government research and development also spurs economic growth by stemming the impacts of oil spills, yielding new innovations in technologies and tactics, identifying research gaps and dead-ends, and reducing investment risks for private research and development entities.

The OSRR functions perform the basic, applied, and developmental research needed to advance the detection, containment, and cleanup of oil spills that may occur from offshore facilities. BSEE also coordinates research efforts between organizations and disseminates findings and recommendations through a variety of internal and public forums, such as formal committees, workshops, conferences,

publications, and online. The Bureau implements the processes and procedures for the following functions of the OSRR Role:

- Research Project Development and Management;
- Department representation on the Interagency Coordinating Committee on Oil Pollution Research (ICCOPR, the National Response Team Science and Technology Committee, and the Arctic Council Emergency Preparedness, Prevention, and Response Working Group;
- Government Research Expertise;
- Research Program and Facility Coordination; and
- Research Promotion and Dissemination.

Research Project Development and Management: BSEE's Response Research scientists and engineers oversee comprehensive research portfolios that address mechanical containment, recovery, and storage; remote sensing; chemical agents; *in situ* burning; shoreline protection and mitigation; preparedness initiatives; and decision-making tools. BSEE executes these research projects through different avenues that include:

- Contracted services, and cooperative agreements with private industry, non-profit research institutions, or academic entities;
- Interagency agreements with Federal partners, such as the U.S. Navy, U.S. Environmental Protection Agency (EPA), NOAA, USCG, PHMSA, and the Department of Energy (DOE); and
- Internally directed research conducted by OSPD research scientists and engineers serving as principal investigators.

The Bureau requires that all researchers receiving funding from BSEE conduct their activities in accordance with all applicable regulatory requirements and adhere to the DOI Scientific Integrity Policy and the DOI Code of Scientific and Scholarly Conduct. BSEE also ensures that all influential scientific information and highly influential scientific assessments are considered for peer review in accordance with the Bureau's Peer Review Process Handbook.

Interagency Coordinating Committee on Oil Pollution Research (ICCOPR or Committee): BSEE's OSPD represents the Bureau on this 16-member Federal committee that operates as the primary Federal body designated to coordinate oil spill research. ICCOPR was created by Title VII of OPA 90 for two primary purposes:

> *(1) Research and Technology Planning*: The Committee prepares and periodically updates a comprehensive, coordinated Federal oil pollution research, development, and demonstration plan, which serves as guides for Federal agencies in their research investments.
>
> *(2) Collaboration*: The Committee promotes cooperation and coordination with industry, universities, research institutions, State governments, and other nations through information sharing, coordinated planning, and joint funding of projects.

The Bureau plays a crucial leadership role in ICCOPR by serving on the Committee's Steering Committee, serving as the Committee's Vice Chair[1] in FY 2020 and FY 2021, and routinely providing updates on research of importance to ICCOPR members. Participation in ICCOPR enables the Bureau to facilitate an increased awareness of new tools and strategies available for offshore oil spill preparedness and response. Participation in ICCOPR allows BSEE to identify emerging issues and research gaps that inform budget allocation decisions.

In December 2021, ICCOPR published the latest version of the Oil Pollution Research and Technology Plan, covering FY 2022 to FY 2027. The new plan increased the number of Standing Research Areas to 28 and listed 171 priority research needs, including 59 that are applicable to the BSEE oil spill research program. The ICCOPR's Research and Technology Plan heavily informs OSPD's project proposals and funding decisions to ensure that the Bureau is meeting its mission needs while also targeting the Nation's larger research gaps. OSPD will be using this document to steer its research projects for FY 2025 and beyond.

Government Research Expertise: In addition to their general technical training and knowledge, BSEE response research scientists and engineers develop subject matter expertise in specific spill response tactics and technologies (i.e., dispersants, *in situ* burning, remote sensing, shoreline tactics, and mechanical recovery). Consequently, entities from within the Federal Government and the broader scientific community may request OSPD staff to serve on special project teams and peer review panels. BSEE has leveraged this research expertise in a variety of international forums important to the U.S. Government including the Arctic Council's Emergency Prevention, Preparedness, and Response Working Group; the International Offshore Petroleum Environment Regulators Group; and Canada's multi-million dollar Multi-Partner Research Initiative.

Research Program and Facility Coordination: The Bureau leverages the resources and capabilities of government and private research programs to advance the mission of improving oil spill preparedness. BSEE regularly coordinates and executes projects with the following government entities and facilities to support joint research collaborations:

- USCG Research and Development Center – New London, Connecticut;
- U.S. Army Corps of Engineers Cold Regions Research and Engineering Laboratory – Hanover, New Hampshire;
- U.S. Naval Research Laboratory – Washington, D.C.;
- DOE National Energy Technology Laboratory – Albany, Oregon; and Pittsburgh, Pennsylvania;
- EPA – Cincinnati, Ohio; and Research Triangle, North Carolina;
- NOAA – Silver Spring, Maryland; and Seattle, Washington;
- Oil Spill Recovery Institute – Cordova, Alaska; and
- Ohmsett – Leonardo, New Jersey.

[1] Elijah E. Cummings Coast Guard Authorization Act of 2020 (Public Law No. 116-283), enacted January 1, 2021, eliminated the rotational Vice Chair position.

Research Promotion and Dissemination: The Bureau maximizes the benefits and connections made from research by disseminating the results to a variety of audiences. Communication sparks new ideas, harnesses group expertise to solve problems, reduces duplication of efforts, and advances the state of the science. Consequently, BSEE identifies and pursues opportunities and venues to share research findings, gain insight on new problems, and establish effective research networks. The Bureau publicizes research findings through online products, journal and periodical publications, and speaking engagements at workshops, meetings, and conferences.

In FY 2025, BSEE will continue its work advancing new technology for remote sensing tools for oil spill detection and thickness determination installed on subsea gliders, satellites, drones, and fixed-wing platforms; integration of remote sensing data into command-and-control systems to support operational decision making; and the development of "smart" skimming technologies to improve recovery rates and efficiencies. BSEE will also continue to advance new *in situ* burn techniques that will reduce carbon soot emissions, provide for burning of highly emulsified oil, and reduce residues that can sink (Figure 3).

Figure 3: A drone equipped with chemical sensors samples the smoke plume emitted from a burn of Alaska North Slope crude oil at the Poker Flat Research Range in Chatanika, Alaska. This was one of several test burns conducted in early August 2022 to better understand the fate and transport of smoke plumes from these types of operations. This BSEE-led project was coordinated between key stakeholders including the EPA's Office of Research and Development, Office of Emergency Management, and Region 10; the U.S. Geological Survey's National Uncrewed Systems Office; NOAA's Air Resources Laboratory; the USCG Pacific Strike Force; the University of Alaska Fairbanks's Poker Flat Research Range and International Arctic Research Center Uncrewed Aircraft Systems Team; and Alaska Clean Seas. (Photo from Karen Stone, BSEE)

Additionally, BSEE will continue to study the implications of intentional wellhead ignition in the event of loss of well control. These techniques will have profound impacts on Arctic spill preparedness in regions

where disposal or transfer of collected oil is problematic due to remote locations and soot and burn residue can harm the environment.

In FY 2024, BSEE is continuing to utilize a Technology Readiness Levels (TRL) metric to measure progress of oil spill response equipment from concept to full commercialization and use in an actual spill response. BSEE developed the TRL metric in FY 2018 as a screening tool for evaluating the merits of proposed research initiatives. By applying TRLs to its research, BSEE has been able to move response technology forward in a measurable, methodical way while providing a visible means for the response community to monitor new technologies that may be ready for commercialization. BSEE will continue to support other agencies in their efforts to adopt this metric for their oil spill research programs. Wider use of the TRL metric will provide a more consistent measurement of oil spill technology readiness across the government.

Similarly, BSEE is continuing its new Testing of Oil Spill Technologies (TOST) initiative to test new and existing oil spill response technologies. The TOST program, implemented in 2022, will fund testing of technologies and provide the results to the oil spill response community and the public. Each year a specific topic or topics will be selected based on interest to stakeholders including Federal partners, oil spill response organizations, and industry. Technologies of interest could include those identified in OSRPs, verification tests to support BSEE decision-making, or new systems of interest to stakeholders. This annual program selects technologies in a fair and open manner, and technologies meeting the established criteria are invited to submit a request for participation through an established process. The 2023-2024 TOST is focusing on the effectiveness and efficacy of conventional oil spill response technologies on dielectric fluids associated with offshore renewable facilities.

Information derived from the OSRR role is directly integrated into BSEE's operations and is used in making regulatory decisions pertaining to plan approvals, safety and pollution prevention inspections, enforcement actions, and training requirements. Research results are also transferred to rule writers, investigators, plan reviewers, and others who need this information to ensure safe operations and assist BSEE in its efforts to independently keep pace with industry's fast-paced technological advancements. Response technologies identified by the OSRR program focus on preventing offshore operational spills from reaching sensitive environments and habitats, or populated areas where health and the economy could be adversely affected.

One ongoing initiative pertinent to the Arctic is the study of wellhead burning as a response strategy. BSEE completed the first phase of a project to assess the science supporting the contention that, in the case of a loss-of-control incident on an Arctic gravel island, intentionally igniting the discharge flow would be an appropriate temporary response strategy. In FY 2020 through FY 2022, this research investigated some of the many parameters contributing to the efficiency of employing this response strategy and its impact on the environment.

For its FY 2025 research program, the Bureau intends to:

- Continue its work advancing new technology for remote sensing tools on subsea gliders, satellites, drones, and fixed wing platforms for oil spill detection, thickness determination, and oil characterization;

- Develop, test, and evaluate enhanced mechanical recovery technologies;
- Refine capabilities to detect and recover oil in and under ice, including testing technological advances in remotely controlled operations to reduce risk to personnel and increase the operational window;
- Improve techniques to locate, track, and remove oil during low light conditions;
- Investigate enhancements to improve oil separation and demulsification processes;
- Optimize the temporary storage and disposal of recovered fluid in remote or harsh environments;
- Integrate and institutionalize oil spill response TRLs to the technology development process for projects conducted under the OSRR program;
- Investigate options to advance/develop near-real-time data transfer tools for prompt spill response;
- Develop tools or methods to determine the efficiency of surface dispersant delivery techniques/systems as a function of spill characteristics;
- Better understand the potential effectiveness of chemical dispersants, herders, and surface washing agents in various operational environments;
- Develop technology or techniques for optimum application of herders;
- Develop tools or methods to improve *in situ* burning by optimizing the burn efficiency, reducing soot and harmful emissions, and developing innovative and robust ignition systems capable of withstanding extreme weather and harsh environments to expand the window of opportunity in which *in-situ* burning can be employed;
- Develop tools or methods to quantify the amount of oil remediated by offshore *in situ* burning;
- Develop an offshore testing protocol to ready advanced technologies (TRLs 7-8) for commercialization.
- Continue research on alternative methods to combust weathered, emulsified, and viscous oils; and
- Continue to fund Ohmsett and research conducted at the facility, including projects related to renewable energy.

Ohmsett – The National Oil Spill Response Research and Renewable Energy Test Facility

The Bureau and its predecessor, the Minerals Management Service, has managed and used the Ohmsett facility (Figure 4) for oil spill response testing, training, and research since 1990, when OPA 90 section 7001(c)(7) mandated that the ICCOPR agencies ensure its long-term use and operation. Ohmsett is critical for U.S. and international efforts to advance oil spill response technologies. Without Ohmsett, the testing and evaluation of equipment, systems, and methodologies would be difficult, if not impossible, to accomplish. During spill incidents, tests at sea generally cannot be repeated and research efforts may interfere with spill responders. Moreover, conducting intentional test spills at sea rather than during a "spill of opportunity" involves a rigorous permitting process and would be significantly more expensive than testing at Ohmsett.

Figure 4: Overhead (left) and tank-level views (right) of the Ohmsett Facility in Leonardo, New Jersey.

The Ohmsett facility is located at the U.S. Navy Base, Naval Weapons Station Earle, in Leonardo, New Jersey. An agreement with the U.S. Navy allows BSEE to use the facility to: (a) test various types of oil spill control equipment; (b) train other agencies and private companies on oil spill response and clean up; (c) research new methods of tracking spills in the ocean; (d) research the characteristics of oil slicks; (e) research wave energy and movement; and (f) research and test marine renewable energy sources. Ohmsett users include government agencies, academia, and public and private companies from the U.S. and internationally.

Ohmsett hosts a large, outdoor, aboveground concrete test tank that is 667 feet long, 65 feet wide, 11 feet deep, and filled to a depth of eight feet with 2.6 million gallons of saltwater. Three rail-mounted bridges span the width of the tank and can travel at a speed of up to six knots, simulating a vessel towing equipment. The tank's wave generator creates realistic sea environments, while state-of-the-art data collection and video systems record test and training results. Ohmsett also has the capability to conduct tests of scaled renewable energy systems such as current and wave energy converters.

Ohmsett plays an important role in protecting the Nation's oceans by supporting development of the most effective response technologies as well as preparing responders by creating the most realistic training environment available. The facility provides testing and research capabilities to help the government fulfill its regulatory requirements and meet its goal of clean and safe operations. Many of today's commercially available oil spill response equipment and products have been tested at Ohmsett and a considerable body of performance data and information on mechanical response equipment has been obtained there. Response planners use this information in reviewing and approving facility response and contingency plans.

Ohmsett is also the premier site for government agency and private industry oil spill response personnel to hone their techniques using full-scale equipment. Students can learn and perform best practices in spill response through classroom exercises and hands-on use of response equipment deployed in and near the test tank (Figure 5).

Figure 5. U.S. Coast Guard Strike Team personnel train on recovering oil with a skimmer in the Ohmsett tank. The USCG is an important customer for Ohmsett's services.

Other Federal Agencies frequently rely on Ohmsett to conduct tests of their equipment, oil characteristics and behavior, and their response protocols. Recently, the EPA utilized the facility to evaluate the behavior of Bakken crude oil and its emissions to improve responder safety. The USCG evaluated how the effectiveness of traditional oil recovery techniques and technologies change as oil is weathered over time. BSEE, NOAA, EPA, and NASA collaborated on tests to assess the accuracy of remote sensing technologies to characterize spilled oil. Other recent activities included oil spill response equipment testing in a simulated Arctic environment, wave energy conversion device tests, skimmer and boom tests, and dispersant tests, including the impact of undispersed oil's mechanical recoverability. The U.S. Army Night Vision and Electronic Sensors Directorate utilizes Ohmsett to test advancements in its ability to remotely detect oil slicks and differentiate between oil slicks of different thicknesses.

BSEE is also continuing in FY 2024 a multi-year effort begun in FY 2019 to catalogue, digitize, and publish appropriate archived records from more than 40 years of research conducted at Ohmsett. Many of these records contain historical research findings not available elsewhere.

Customer Recruitment and Support: In order to be successful in scheduling and hosting tests and training sessions at Ohmsett, BSEE's OSPD:

- Provides leadership for marketing activities of the facility and serves as the primary point of contact for those interested in arranging testing and training, including potential customers in the energy industries, Federal agencies, State and foreign governments, and universities. The success of Ohmsett depends upon the oil spill response and research community's awareness of the facility's capabilities and services.

- Ensures scientific integrity is practiced at Ohmsett, to ensure all stakeholders are confident in the results/findings of research and testing procedures conducted at the facility, as well as the safeguarding of proprietary information when appropriate.
- Coordinates background security checks for domestic and international customers and visitors with the facility's host, Naval Weapons Station Earle.

Renewable Energy Research Support: Ohmsett's services and capabilities also support the testing and validation of renewable energy technologies such as marine hydrokinetic devices. Over the past ten years, a variety of marine hydrokinetic technologies have been tested at Ohmsett (Figure 6). Experiments can be monitored and controlled with multiple traveling bridges, underwater video, computer wave generating equipment, onsite fabrication, viewing windows, scuba diver support, and test planning. With the increased need for clean offshore energy to help tackle the climate crisis, Ohmsett will play an important role in the testing and development of new renewable energy technologies.

The DOE established the U.S. Testing Expertise and Access for Marine Energy Research (TEAMER) Program to support testing and research for marine energy technologies and provide access to test facilities and technical expertise to assist with numerical modeling and data collection in operational and extreme conditions. Because of the facility's unique capabilities, DOE added Ohmsett to its list of network facilities approved for the TEAMER Program. Waterpower technology developers who receive development grants from DOE can only use the listed facilities to test their inventions. Ohmsett hosted its first TEAMER customer, from the University College Cork, in FY 2023.

Figure 6. On the Ohmsett tank, OceanEnergy's 1:15 floating oscillating water column wave energy converter was studied for operational and structural performance. From Fall/Winter 2022 Ohmsett Gazette. "Wave Energy Evaluation." Page 1.

Facility Improvements: Per its agreement with the Navy, BSEE is responsible for maintaining the Ohmsett tank, systems, and facilities. In FY 2022, BSEE completed periodic maintenance improvements and upgrades to the Ohmsett facility. Ohmsett's tank water is maintained at open-ocean salinity for realistic testing; however, this corrosive environment requires the tank's 2.6 million gallons of saltwater to be drained every five years to allow for steel and concrete refurbishment, including painting more than one acre of concrete. This effort, which cost on the order of $7 million, began in FY 2021 and was completed in FY 2022 (Figure 7).

Figure 7. View of empty tank showing fresh paint, concrete repair, and new sealants prior to it being refilled with Sandy Hook Bay seawater in a three-day operation. (Photo from Mike Brennan, BSEE)

In FY 2025, BSEE will continue planning and/or initiating work for several major renovations to the facility including: (1) the replacement of the 40-year-old moveable bridge system to better serve its customers' IT and space needs; (2) researching the design of a new flue tank resource that can provide customers with a meso-scale experiment apparatus; (3) remodeling Ohmsett's classroom spaces; and (4) planning the FY 2026 refurbishment of the tank – an important preventive maintenance practice that occurs every five years.

Additionally, the following Ohmsett projects will continue in FY 2025:

- Designing a new wave attenuation/beach system to create more realistic wave conditions that could be potentially installed during the FY 2026 tank refurbishment project;
- Designing and installing a new main bridge control room; and
- Planning and constructing new water treatment capabilities to facilitate permitted tank discharges into Sandy Hook Bay and the local sewer authority.

Additional information on Ohmsett can be found at http://www.ohmsett.com.

Bureau of Safety and Environmental Enforcement

Appendices

Disclosure of Program Assessments

Purpose: To fulfill legislative requirements Bureaus/Offices funded in Division G of the Consolidated Appropriations Act, 2023, for disclosure of program assessments used to support Government-wide, Departmental, or Agency initiatives or general operations. Section 403 of the Consolidated Appropriations Act, 2023 (P.L. 117-328), shown below, continues requirements regarding the disclosure of planned funding assessments in the annual budget justification.

DISCLOSURE OF ADMINISTRATIVE EXPENSES

SEC. 403. The amount and basis of estimated overhead charges, deductions, reserves, or holdbacks, including working capital fund and cost pool charges, from programs, projects, activities and subactivities to support government-wide, departmental, agency, or bureau administrative functions or headquarters, regional, or central operations shall be presented in annual budget justifications and subject to approval by the Committees on Appropriations of the House of Representatives and the Senate. Changes to such estimates shall be presented to the Committees on Appropriations for approval.

Additionally, Section 422 of the Act makes adherence to Subcommittee reprogramming guidelines statutory by reference. The reprogramming guidelines, shown below, reiterate the requirement to disclose assessments in the annual budget justification and associated reprogramming requirements if changes occur.

Assessments.-"Assessment" as defined in these procedures shall refer to any charges, reserves, or holdbacks applied to a budget activity or budget line item for costs associated with general agency administrative costs, overhead costs, working capital expenses, or contingencies.

(a) No assessment shall be levied against any program, budget activity, subactivity, budget line item, or project funded by the Interior, Environment, and Related Agencies Appropriations Act unless such assessment and the basis therefor are presented to the Committees in the budget justifications and are subsequently approved by the Committees. The explanation for any assessment in the budget justification shall show the amount of the assessment, the activities assessed, and the purpose of the funds.

(b) Proposed changes to estimated assessments, as such estimates were presented in annual budget justifications, shall be submitted through the reprogramming process and shall be subject to the same dollar and reporting criteria as any other reprogramming.

(c) Each agency or bureau which utilizes assessments shall submit an annual report to the Committees, which provides details on the use of all funds assessed from any other budget activity, line item, subactivity, or project.

(d) In no case shall contingency funds or assessments be used to finance projects and activities disapproved or limited by Congress or to finance programs or activities that could be foreseen and included in the normal budget review process.

(e) New programs requested in the budget should not be initiated before enactment of the bill without notification to, and the approval of, the Committees. This restriction applies to all such actions regardless of whether a formal reprogramming of funds is required to begin the program.

EXTERNAL ADMINISTRATIVE COSTS

To improve efficiency across the Department, BSEE offers a full array of administrative functions to other Bureaus and Departmental offices to help meet their administrative needs in an efficient and cost-effective manner. BSEE implements this shared services approach through reimbursable services agreements with each agency. Under these agreements, BSEE provides specific services to meet the agency's needs including acquisition management, finance, human resources, IT management, and management support which includes personnel security, and facilities support services. Maintaining these critical administrative functions within the Department provides the following benefits:

- Minimizing duplication of administrative entities across multiple organizations while optimizing efficiency.
- Providing a centralized administrative function that can, over time, allow the Department to pursue additional efficiencies.

The Department has strongly supported the expansion of business cross-servicing for more than 30 years, and BSEE is a leader in providing services across the Department. These efforts have the added benefit of implementing standardized practices that will further increase the productivity for highly skilled resources, improve best practices, and maximize the use of administrative funds in the future.

BSEE regularly evaluates these support arrangements jointly with each customer agency and provides regular reporting on costs and performance information. BSEE's costs to provide these services are also carefully managed and jointly approved by the respective agencies. Changes between cost allocations to BSEE and the customer agency may occur during the year of execution to reflect actual work.

BUREAU ADMINISTRATIVE COSTS

Funding is assessed for Bureau-wide infrastructure support to BSEE. This includes costs associated with office space, security, information technology, utilities, and communications for all organizational needs to carry out the Bureau's primary missions. Funding for shared activities and related support services is used for:

- Lease and utilities of office space
- Emergency Management, Security, and Safety & Occupational Health programs
- Workers' and Unemployment compensation
- Voice and data communications
- Facility maintenance
- Mail and shipping services
- Printing costs
- Records management
- Leadership development programs
- Diversity, equity, inclusion, and accessibility programs
- Transportation Subsidy benefits
- IT shared services and support

Assessments of Bureau Programs	2024 Enacted Dollars in Thousands ($000)	2025 Request Dollars in Thousands ($000)
External Administrative Costs		
Various Activities		
Working Capital Fund Centralized Billing	4,796	5,146
Working Capital Fund Direct Billing	3,283	3,102
Subtotal	**8,079**	**8,248**
Internal Bureau Assessments for Administrative Costs		
Operations, Safety and Regulation	15,882	16,676
Administrative Operations	1,934	1,976
Executive Direction	2,407	2,483
Subtotal	**20,224**	**21,135**
Total Assessments of Bureau Programs	**28,303**	**29,383**

The internal Bureau assessment reported for 2025 reflects the alignment of the Bureau's administrative support requirements based on estimated FTE allocations between BSEE and its customers. Customer payments are recorded as reimbursable funding to BSEE.

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Bureau of Safety and Environmental Enforcement

Appendix B – Employee Count by Grade
(Total Employment)

Employee Count by Grade	**FY 2023 Actual**	**FY 2024 Estimate**	**FY 2025 Estimate**
Executive Level V ……..	1	1	1
SES …….	5	5	5
Subtotal ……..	**6**	**6**	**6**
SL - 00 …….	0	0	0
ST - 00 …….	0	0	0
Subtotal ……..	**0**	**0**	**0**
GS/GM -15 …….	75	81	82
GS/GM -14 …….	191	190	193
GS/GM -13 …….	287	309	311
GS -12 …….....	108	125	127
GS -11 …….	90	114	115
GS -10 …….	0	0	0
GS - 9 …….	30	39	42
GS - 8 …….	15	15	15
GS - 7 …….	21	20	20
GS - 6 …….	14	17	17
GS - 5 …….	10	10	10
GS - 4 …….	2	0	0
GS - 3 …….	0	0	0
GS - 2 …….	0	0	0
GS - 1 …….	0	0	0
Subtotal ……..	**843**	**920**	**932**
Other Pay Schedule Systems ……..……..	0	0	0
Total employment (actuals & estimates) ……	**849**	**926**	**938**

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Bureau of Safety and Environmental Enforcement

Authorizing Statutes

OUTER CONTINENTAL SHELF (OCS) LANDS PROGRAM

43 U.S.C. 1331, et seq.	The Outer Continental Shelf (OCS) Lands Act of 1953, as amended, extended the jurisdiction of the United States to the OCS and provided for granting of leases to develop offshore energy and minerals.
P.L. 104-58, Title III	The Outer Continental Shelf Deep Water Royalty Relief Act amended the OCS Lands Act by providing the Secretary of the Interior authority to provide royalty rate relief for certain production from the Gulf of Mexico (GOM).
P.L. 109-58	The Energy Policy Act of 2005 amended the OCS Lands Act to give authority to the Department of the Interior to coordinate the development of an alternative energy program on the OCS and also to coordinate the energy and non-energy related uses in areas of the OCS where traditional oil and natural gas development already occur.
P.L. 109-432	The Gulf of Mexico Energy Security Act of 2006 required leasing certain areas in the Central and Eastern Gulf of Mexico Planning Areas within one year of enactment (December 20, 2006); and established a moratoria on leasing in remaining areas in the eastern planning area and a portion of the central planning area until 2022.
P.L. 113-067	The Bipartisan Budget Act of 2013 contained provisions which approved the Agreement between the U.S. and the United Mexico States concerning Transboundary Hydrocarbon Reservoirs in the Gulf of Mexico, and amended the OCS Lands Acts to authorize the Secretary of the Interior to implement the U.S.-Mexico Agreement and any future transboundary hydrocarbon reservoir agreements entered into by the President and approved by Congress.

P.L. 117-58	The Infrastructure Investment and Jobs Act of 2021 amended the OCS Lands Act to give authority to the Department of the Interior to grant a lease, easement, or right-of-way on the Outer Continental Shelf for activities that provide for, support, or are directly related to the injection of a carbon dioxide stream into sub-seabed geologic formations for the purpose of long-term carbon sequestration.
43 U.S.C. 4321, 4331-4335, 4341-4347	The National Environmental Policy Act of 1969 required that Federal agencies consider in their decisions the environmental effects of proposed activities and that agencies prepare environmental impact statements for Federal actions having a significant effect on the environment.
16 U.S.C. 1451, et seq.	The Coastal Zone Management Act of 1972, as amended established goals for ensuring that Federal and industry activity in the coastal zone be consistent with coastal zone plans set by the States.
16 U.S.C. 1531-1543	The Endangered Species Act of 1973 established procedures to ensure interagency cooperation and consultations to protect endangered and threatened species.
42 U.S.C. 7401, et seq.	The Clean Air Act, as amended, was applied to all areas of the OCS except the central and western Gulf of Mexico. OCS activities in those non-excepted areas will require pollutant emission permits administered by the EPA or the States.
42 U.S.C. 7627(a)(1)	The Clean Air Act was amended in 2012 to transfer air quality jurisdiction from the EPA to DOI for OCS activities in the Beaufort Sea and Chukchi Sea OCS Planning Areas of the Arctic OCS.
16 U.S.C. 470-470W6	The National Historic Preservation Act established procedures to ensure protection of significant archaeological resources.
30 U.S.C. 21(a)	The Mining and Minerals Policy Act of 1970 set forth the continuing policy of the Federal Government to foster and encourage private enterprise in the orderly and economic development of domestic mineral resources and reserves.

30 U.S.C. 1601	The Policy, Research and Development Act of 1970 set forth the continuing policy et seq. of the Federal Government to foster and encourage private enterprise in the orderly and economic development of domestic mineral resources and reserves.
33 U.S.C. 2701, et seq.	The Oil Pollution Act of 1990 established a fund for compensation of damages resulting from oil pollution and provided for interagency coordination and for the performance of oil spill prevention and response research. It also expanded coverage of Federal requirements for oil spill response planning to include State waters and the transportation of oil. The Act also addressed other related regulatory issues.
43 U.S.C. 1301	The Marine Protection, Research, and Sanctuaries Act of 1972 provided that the Secretary of Commerce must consult with the Secretary of the Interior prior to designating marine sanctuaries. BSEE provides oversight and enforcement for potential impacts from all OCS activities that may be located in or in proximity to marine sanctuaries and protected areas.
16 U.S.C. 1361-1362, 1371-1384, 1401-1407	The Marine Mammal Protection Act of 1972 provides for the protection and welfare of marine mammals.
31 U.S.C. 9701	Fees and Charges for Government Services and Things of Value. It establishes authority for Federal agencies to collect fees for services provided by the Government. Those fees must be fair and based on the costs to the Government; the value of the services or thing to the recipient; public policy or interest served; and other relevant facts.

GENERAL ADMINISTRATION

31 U.S.C. 65	Budget and Accounting Procedures Act of 1950
31 U.S.C. 3901-3906	Prompt Payment Act of 1982
31 U.S.C. 3512	Federal Managers Financial Integrity Act of 1982
5 U.S.C. 552	Freedom of Information Act of 1966, as amended
31 U.S.C. 7501-7507	Single Audit Act of 1984
41 U.S.C. 35045	Walsh Healy Public Contracts Act of 1936

41 U.S.C. 351-357	Service Contract Act of 1965
41 U.S.C. 601-613	Contract Disputes Act of 1978
44 U.S.C. 35	Paperwork Reduction Act of 1980
44 U.S.C. 2101	Federal Records Act 1950
40 U.S.C. 4868	Federal Acquisition Regulation of 1984
31 U.S.C. 3501	Privacy Act of 1974
31 U.S.C. 3501	Accounting and Collection
31 U.S.C. 3711, 3716-19	Claims
31 U.S.C. 3901-3906	Prompt Payment Act of 1982
31 U.S.C. 1501-1557	Appropriation Accounting
5 U.S.C. 1104 et seq.	Delegation of Personnel Management Authority
31 U.S.C. 665-665(a)	Anti-Deficiency Act of 1905, as amended
41 U.S.C. 252	Competition in Contracting Act of 1984
18 U.S.C. 1001	False Claims Act of 1982
18 U.S.C. 287	False Statements Act of 1962
41 U.S.C. 501-509	Federal Grant and Cooperative Agreement Act of 1977
41 U.S.C. 253	Federal Property and Administrative Services Act of 1949
41 U.S.C. 401	Office of Federal Procurement Policy Act of 1974, as amended
15 U.S.C. 631	Small Business Act of 1953, as amended
15 U.S.C. 637	Small Business Act Amendments of 1978
10 U.S.C. 137	Small Business and Federal Competition Enhancement Act of 1984
15 U.S.C. 638	Small Business Innovation Research Program of 1983
10 U.S.C. 2306(f)	Truth in Negotiations Act of 1962 Authorization

Secretarial Order No. 3299	Directed the creation of the Bureau of Ocean Energy Management, the Bureau of Safety and Environmental Enforcement, and the Office of Natural Resources Revenue in May 2010, under the authority provided by Section 2 of Reorganization Plan No. 3 of 1950 (64 Stat. 1262).
Secretarial Order No. 3302	Changed the Name of the Minerals Management Service to the Bureau of Ocean Energy Management, Regulation and Enforcement in June 2010, under the authority provided by Section 2 of Reorganization Plan No. 3 of 1950 (64 Stat. 1262).

OIL SPILL RESEARCH

33 U.S.C. 2701, et seq.	Title VII of the Oil Pollution Act of 1990 authorizes the use of the Oil Spill Liability Trust Fund, established by Section 9509 of the Internal Revenue Code of 1986 (26 U.S.C. 9509), for oil spill research.
33 U.S.C. 2701, et seq.	Title I, Section 1016, of the Oil Pollution Act of 1990 requires a certification process which ensures that each responsible company, with respect to an offshore facility, has established, and maintains, evidence of financial responsibility in the amount of at least $150,000,000 to meet potential pollution liability.
43 U.S.C. 1331, et seq.	Section 21(b) of the Outer Continental Shelf Lands Act, as amended, requires the use of the best available and safety technologies (BAST) and assurance that the use of up-to-date technology is incorporated into the regulatory process.
Executive Order 12777	Signed October 18, 1991, assigned the responsibility to ensure oil spill financial responsibility for OCS facilities to the Secretary of the Interior (Bureau of Safety and Environmental Enforcement).