

BSEE Update

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BSEE Sterling office

Marine Board Fall Meeting

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“To promote safety, protect the environment and conserve resources offshore through vigorous regulatory oversight and enforcement.”



BSEE Update

Topics:

1. New Personnel
2. Carbon Capture & Sequestration (CCS)
3. Offshore Renewable Energy
4. Research Initiatives
5. Regulatory Priorities
6. Cybersecurity

New Personnel

A. Deputy Director: Paul Huang

- He served as Assistant Administrator of Federal Insurance for the National Flood Insurance Program (NFIP) at the Federal Emergency Management Agency (FEMA).
- Additionally, he served as Acting Associate Administrator for Resilience and helped stand up the Climate Adaptation and Equity Enterprise Steering Committees for FEMA.

B. Chief of Staff: Kelly Schnapp

- She has previous experience at OSHA, BSEE's Oil Spill Response Division, as USCG officer, and as federal contractor.
- She has an undergraduate degree in Environmental Health, Industrial Hygiene, and a Master's Degree in Environmental Science, Atmospheric Physics.

New Personnel

C. Pacific Region – Regional Director: Bruce Hesson

- Bruce graduated from Texas A&M in 1983 with a Bachelor of Science Degree in Petroleum Engineering and is a California Registered Professional Engineer since 1997.
- He has over 39 years of experience in the oil & gas industry, including 29 years with the California Division of Oil, Gas and Geothermal Resources (DOGGR).

D. Alaska Region – Regional Director: Justin Miller

- He served in BLM Alaska State Office as a Senior Technical Advisor, Certified Oil and Gas Inspector, and Oil and Gas Inspections and Enforcement Coordinator.
- Joined the BOEM Alaska Region in 2014, and served as the Senior Petroleum Engineer and Chief of the Resource Analysis Section.

Carbon Capture & Sequestration (CCS)

A. Outer Continental Shelf Lands Act (OCSLA) Amendment

- i. The bipartisan Infrastructure Investment and Jobs Act was passed on November 15, 2021.
- ii. The new law amends OCSLA, authorizing Department of Interior (DOI) to administer leases, easement, and rights-of-way on submerged federal lands for geologic sequestration (GS) of carbon dioxide.
- iii. The new law also requires DOI to promulgate regulations within one year of the law's enactment.

B. Interagency Cooperation and Outreach

- i. BSEE is developing a joint rule with BOEM regarding offshore sequestration
- ii. BSEE is consulting with EPA, DOE and other stakeholders as appropriate to inform our rule making.

BSEE Technical Mission Areas include*:

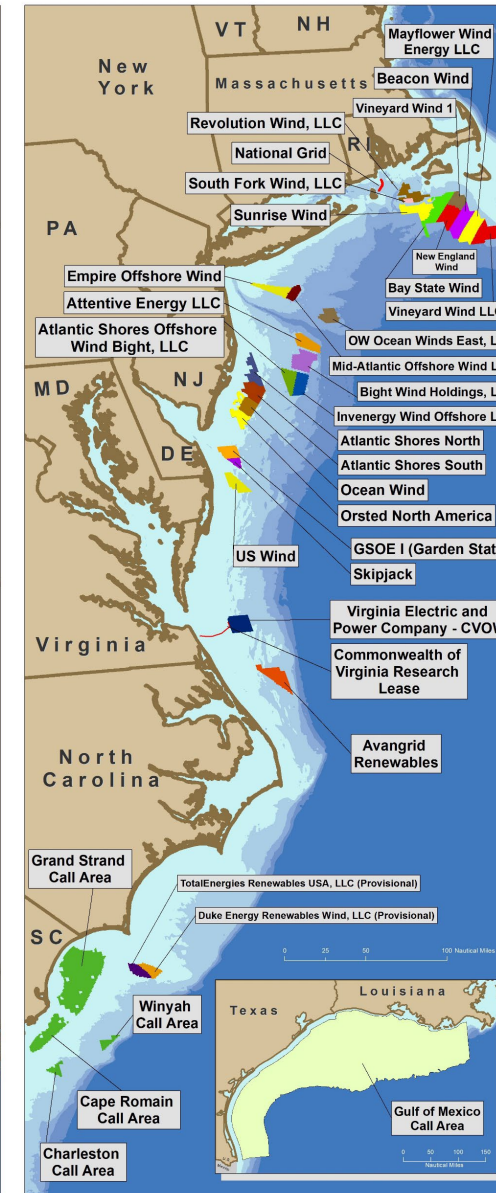
- Well Integrity
- Well Service Life Requirements
- Facility and Infrastructure Design and Installation
- Life Extension and Re-purposing of Existing Infrastructure
- Risk Assessment and Mitigation
- Emergency Response

*Examples, not all-inclusive, and should apply to CCS too.

Offshore Renewable Energy

Many projects contemplated or already under development.

Bulk of projects are off East Coast, but Pacific, Hawaii, and even the Gulf of Mexico states have begun research into renewable capabilities and locations.



CVOW Pilot
(Dominion's two turbine demo project on a research lease) are the 1st turbines in federal waters and became operational in 2020.

Research Initiatives

A. Offshore Energy Safety Institute (OESI):

- i. Texas A&M Engineering Experiment Station (TEES) manages the new OESI.
- ii. OESI goal: Create safer workplaces, improve environmental stewardship, and increase U.S. energy security.
- iii. OESI hosted 3 virtual Industry Roadmap Workshops:
 - a) Offshore Oil & Gas:
 - 1. Workshop held Nov. 30, 2021, and O&G Roadmap delivered in August 2022
 - 2. The O&G Roadmap is available at the following website: <https://oesi.tamu.edu/research/>
 - b) Offshore Wind:
 - 1. Workshop held April 21, 2022
 - 2. The Offshore Wind Roadmap is being developed
 - c) Marine Energy:
 - 1. Workshop held May 18, 2022
 - 2. The Marine Energy Roadmap is being developed
- iv. Request for Proposals (RFPs) will be based on the topics & timeline identified in these Roadmap documents

Research Initiatives (continued)

B. Research Projects for Renewable Energy :

- i. Renewable Energy Fire Protection Systems
- ii. Remote Inspection Technologies for Offshore Renewable Energy

C. Research Projects for Oil & Gas:

- i. Mud Gas Separators
- ii. Advanced Well Control – Small-scale Testing
- iii. 2022-23 Freeze-up and Break-up of Arctic Sea

Regulatory Priorities

A. High Pressure High Temperature (HPHT) and Subpart B revisions *(final rule)*

- i. Published proposed on May 16, 2022 (87 FR 29790).
- ii. Revises the Deepwater Operations Plan process.
- iii. Clarifies requirements for the use of new or unusual technology (e.g., HPHT operations).

B. Blowout Preventer Systems and Well Control Revisions *(proposed rule)*

- i. Clarifies blowout preventer (BOP) system requirements and modifies certain specific BOP equipment capability requirements.
- ii. Published September 14, 2022 (87 FR 56354)
- iii. Public comment period open until November 14, 2022

C. Pipelines and Pipeline ROW Revisions *(proposed rule)*

- i. Revises the 30 CFR 250 Subpart J pipeline regulations.
- ii. Clarifies the permitting process.
- iii. Updates the requirements for applicable pipeline system or ROW design, installation, operation, inspection, & decommissioning.

D. Updates of Documents Incorporated by Reference *(proposed rule)*

- i. Updates certain incorporated industry standards to the current editions.
- ii. Incorporates new industry standards into the regulations.

Regulatory Priorities (continued)

E. Oil Spill Response Requirements for Facilities Located Seaward of Coast Line *(proposed rule)*

- i. Complete update and restructure of 30 CFR part 254 oil spill response requirements
- ii. Addresses the regulatory gaps and deficiencies identified by the multiple investigations and studies following the Deepwater Horizon incident.
- iii. Implements the multiple recommendations of those reports and studies to advance oil spill response best practices.

F. Risk Management, Financial Assurance and Loss Prevention – Decommissioning Activities and Obligations *(final rule)*

- i. BSEE-only final rule – the proposed rule was joint BOEM-BSEE, and BOEM will continue its associated provisions in a proposed separate rulemaking.
- ii. Revises policies and procedures for compliance with decommissioning obligations.
- iii. Clarifies the operational and procedural aspects of applicable decommissioning responsibilities of OCS lessees and grant holders.

G. BOEM-BSEE Renewable Energy Split *(final rule)*

- i. BOEM-BSEE joint rulemaking.
- ii. Codifies a regulatory split of functions between the two bureaus for renewable energy activities.



Cybersecurity

- A. BSEE continues to play role in promoting effective Operational Technology (OT) cybersecurity strategies on the Outer Continental Shelf.
- B. BSEE issued a Safety Alert entitled “Check Your Cybersecurity Readiness” on March 29, 2022 (Safety Alert No. 434).
- C. BSEE hired 1 FTE and is currently hiring another FTE to support cybersecurity.
- D. BSEE continues to work with the Cybersecurity & Infrastructure Security Agency (CISA), the USCG, and other federal agencies to further develop its relationship with all the key stakeholders.
- E. BSEE has initiated plans to assess the cybersecurity risk to offshore energy operations; work to begin in FY23.

Any Questions?

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