

## Refining AOGCC Oversight:

Issues with industry standards, enforcement, and  
Building on *Deepwater Horizon* investigative findings

AOGCC Hearing

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# My Background

- Represented the public on the U.S. DOT oil pipeline federal advisory committee from 1995-2007; now serving on BOEMRE's Offshore Energy Safety Advisory Committee
- Provided invited testimony before the U.S. Congress on many occasions, most recently in May to the Senate Energy and Natural Resources Committee on New Developments in Upstream Oil and Gas Technologies
- Licensed engineer in Alaska
- Served as an advisor on the DOI Report to the President on the BP Gulf spill, May 2010
- Familiarity with both Cook Inlet and Arctic oil and gas infrastructure, onshore and offshore

# My work at The Wilderness Society

- Ensure best possible performance for existing and future oil and gas operations
- Protect sensitive areas from new resource development

1800+ members and supporters in Alaska

# Presentation Structure

1. Industry Standards
2. Enforcement
3. *Deepwater Horizon* Investigative Findings

# Industry Standards

- Developed by consensus which means they can be lowest common denominator
- Can be unenforceable (e.g., “should” rather than “shall”)
- Can contain gaps, sometimes intentionally
- Are developed with little or no public or state input (generally because of budget constraints)
- Not all standards are publicly available for free

# Industry Standards, continued

How should AOGCC and other regulators use industry standards?

- Participate in standards development if possible
- Review standards for enforceability and topics not included
- Ensure that regulations address enforceability concerns and missing topics
- Ensure that standards are reviewable on the web (API example)

# Enforcement

Effective enforcement should focus on:

- Regulatory violations that result in harm to human health and/or the environment
- The most serious violations
- Ongoing violations

# Enforcement, continued

Effective enforcement should be:

- Fair
- Clear
- Consistent
- Attention-getting

To increase public accountability and transparency, post on the web information on inspections and enforcement actions, and analyzed trends

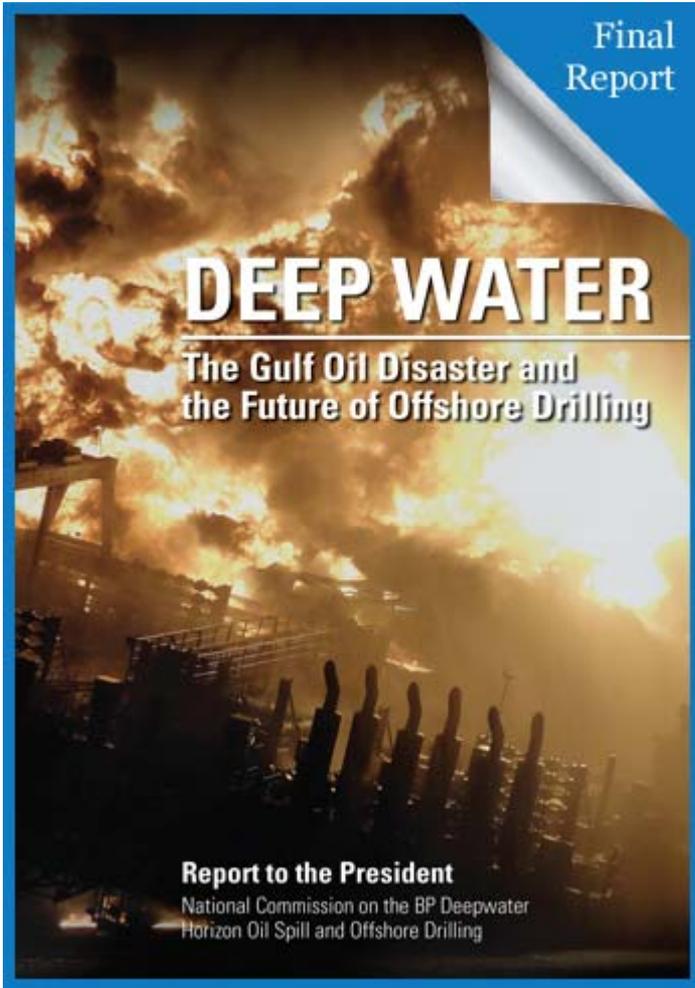
# *Key Deepwater Horizon Investigations Completed*



**INCREASED SAFETY MEASURES FOR ENERGY  
DEVELOPMENT ON THE OUTER CONTINENTAL SHELF  
MAY 27, 2010 (Secretary's Office, DOI)**



**REPORT REGARDING THE CAUSES OF THE APRIL 20, 2010  
MACONDO WELL BLOWOUT  
September 14, 2011 (BOEMRE/USCG)**

The cover features a dramatic, high-contrast photograph of an offshore oil rig at night, with a massive fire or explosion illuminating the scene from behind, creating a bright orange and yellow glow against a dark sky. The rig's complex structure of pipes and towers is silhouetted against the light. A blue banner in the top right corner contains the text 'Final Report'.

Final  
Report

# DEEP WATER

The Gulf Oil Disaster and  
the Future of Offshore Drilling

**Report to the President**

National Commission on the BP Deepwater  
Horizon Oil Spill and Offshore Drilling

# *Deepwater Horizon*

## Investigative Findings

### Legislative Needs:

- Adequate, stable, and secure funding to regulatory agencies
- Sufficient liability and financial responsibility requirements
- Whistle-blower protections

# *Deepwater Horizon*

## Investigative Findings, continued

### Regulatory Needs:

- Blowout preventer equipment certification, configuration, and other BOP upgrade rulemakings (numerous recommendations)
- Personnel training requirements; I'd add operator qualification requirements
- State-of-the-art casing and cementing rulemakings (numerous recommendations), including well integrity testing
- Review and incorporate highest international requirements
- Require more detailed incident reports, including better causal information and information on near misses, and make this information publicly available

Also, the DOI 2011 report includes recommendations for inspection improvements

For more information on *Deepwater Horizon's* Investigative Findings including footnoted references, see “Effective Oversight Requires Key Legislative, Regulatory, Enforcement and Transparency Upgrades,” Lois N. Epstein, P.E., September 2011.

# Final Thoughts

- Independent accident investigation essential – best model is National Transportation Safety Board/Chemical Safety and Hazard Investigation Board
- Support simultaneous relief well capability requirements in AOGCC regulations