

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT**

NTL No. 2023-N02

Effective Date: March 24, 2023

NATIONAL NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL AND GAS AND
SULPHUR LEASES, OUTER CONTINENTAL SHELF (OCS)

Revised OCSLA Civil Penalty Assessment Matrixes

Purpose

The purpose of this Notice to Lessees and Operators (NTL) is to provide updated information regarding the Bureau of Safety and Environmental Enforcement's (BSEE) assessment of civil penalties for violations of the Outer Continental Shelf Lands Act (OCSLA) and its implementing regulations. This NTL replaces NTL No. 2022-N01. The Assessment Matrix for Harm and Threat of Harm Violations is effective March 24, 2023. The Adjusted Assessment Matrix for Failure to Correct Violations is effective May 23, 2023. The matrixes apply to civil penalties assessed on and after the applicable effective date, even when the associated violation(s) predates the applicable effective date.

This NTL:

- **Incorporates adjustments made to the maximum civil penalty amount for inflation into BSEE's assessment processes.** The new maximum civil penalty amount is \$52,646 per day per violation, in accordance with the authorities described below.
- **Incorporates a revised Failure to Correct Civil Penalty Matrix.**

Authority

BSEE's regulations (at 30 CFR 250.103) authorize BSEE to issue NTLs that clarify or provide more detail about certain requirements.

OCSLA directs the Secretary of the Interior to adjust the OCSLA maximum civil penalty amount at least once every 3 years to reflect any increase in the Consumer Price Index to account for inflation. 43 U.S.C. 1350(b)(1). The Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (FCPIA of 2015) (Section 701 of Public Law 114-74) directs BSEE to adjust the OCSLA maximum civil penalty amount annually. Pursuant to OCSLA and the FCPIA of 2015, BSEE published the final rule on March 24, 2023 (88 FR 17725), adjusting the OCSLA maximum civil penalty amount at 30 CFR 250.1403. This final rule adjusted the daily, per violation, maximum civil penalty amount. This NTL reflects any necessary adjustments to BSEE's OCSLA Civil Penalty Assessment Matrixes based on the adjustment.

CSLA Civil Penalty Assessment Matrixes
March 24, 2023

Assessment Matrix for Harm and Threat of Harm Violations

HARM/THREAT OF HARM VIOLATIONS MATRIX FOR OCSLA CIVIL PENALTY ASSESSMENTS IN \$/DAY/VIOLATION			
Enforcement Code	Category A	Category B	Category C
W	\$6,638 – 52,646 (\$19,685) *	\$13,047 – 52,646 (\$26,323) *	\$26,323– 52,646 (\$39,485) *
C	\$13,047 – 52,646 (\$26,323) *	\$19,685– 52,646 (\$32,847) *	\$39,485– 52,646 (\$46,008) *
S	\$19,685– 52,646 (\$32,847) *	\$26,323 – 52,646 (\$39,485) *	\$46,008– 52,646 (\$48,640) *

Note: W = Warning, C = Component Shut-in, and S = Facility Shut-in

* = Starting Point for Assessment

<u>Category A</u>	<u>Category B</u>	<u>Category C</u>
<p>Threat of injury to humans. Threat of harm or damage to the marine or coastal environment, including mammals, fish, and other aquatic life (threat may or may not involve endangered/threatened species). Threat of pollution. Threat of damage to any mineral deposit or property.</p>	<p>Injury to humans that results in 1-3 days away from work or 1-3 days on restricted work or job transfer. Minor harm or damage to the marine or coastal environment, including mammals, fish, and other aquatic life (harm to aquatic life did not involve an endangered/threatened species). Pollution caused by liquid hydrocarbon spillage of up to 50 barrels (bbls). Minor damage to any mineral deposit. Minor property damage equal to or less than \$25,000. Additional incidents required to be reported under 30 CFR 250.188, except (a)(6), (b)(1), and (b)(4).</p>	<p>Loss of human life. Injury to humans that results in more than 3 days away from work or more than 3 days on restricted work or job transfer. Serious harm or damage to the marine or coastal environment, including mammals, fish, and other aquatic life (harm to aquatic life involved numerous individuals or involved one or more members of an endangered/threatened species). Pollution caused by liquid hydrocarbon spillage of more than 50 barrels (bbls). Serious damage to any mineral deposit. Serious property damage greater than \$25,000.</p>

Civil Penalty Reviewing Officers should use the “Starting Point for Assessment” that corresponds with the appropriate violation Enforcement Code and Category as the starting point for each civil penalty assessment. The Civil Penalty Reviewing Officer should then consider the following factors when determining, within the given range, the appropriate penalty amount:

1. Record of compliance (utilizing 3 years of annual performance review data, and District Office summary).
2. Severity of the violation(s).
3. Precedents set by similar cases.
4. Civil penalty case history.

Factors 1 and 4 may be used to raise the penalty amount within the given range.
 Factors 2 and 3 may be used to raise or lower the penalty amount within the given range.

Adjusted Assessment Matrix for Failure to Correct Violations

	Period of Non-Compliance Following Provision and Expiration of a Reasonable Period to Correct	
Category of Noncompliance	1-21 Days	After 21 Days
Failure to Correct a Warning (W) Incident of Noncompliance (\$/Day/Violation)	\$1,500	\$3,000
Failure to Correct a Shut-In (C or S) Incident of Noncompliance (\$/Day/Violation)	\$4,000	\$8,000

Additional information about this program can be found on the BSEE home page at: <http://www.bsee.gov>.

Paperwork Reduction Act of 1995 Statement:

This NTL imposes no information collection requirements subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.).

Contacts: If you have any questions regarding this NTL, please call (202) 208-4005.

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