

FACT SHEET



Oil and Gas Production Safety Systems Final Rule

September 28, 2018

BSEE works to advance safe and environmentally sustainable offshore energy production for America, as authorized by the Outer Continental Shelf Lands Act of 1953.

On September 7, 2016, the Department published a final rule substantially revising Subpart H (81 FR 61834), informally known as the Production Safety Systems Rule (PSSR). The rule addressed the process safety equipment and procedures that are used on the more than 2000 facilities on the OCS that are used to collect, treat, and transmit offshore oil and gas production. Most of the provisions of that rulemaking took effect on November 7, 2016.

In response to the March 28, 2017 signing Executive Order (E.O.) 13783, "Promoting Energy Independence and Economic Growth," directing Federal agencies to review all existing regulations and other agency actions and, ultimately, to suspend, revise, or rescind any regulations or actions that unnecessarily burden the development of domestic energy resources beyond the degree necessary to protect the public interest or otherwise comply with the law, as well as the April 28, 2017 signing of Executive Order 13795, "Implementing an America-First Offshore Energy Strategy," and in accordance with the guidance issued by the Department of the Interior, BSEE staff engaged in an extensive review of the 2016 rulemaking to:

- Identify areas that imposed an unnecessary burden on industry without increasing safety;
- Identify areas that needed clarification and updating; and
- Identify areas that needed to be revised to avoid unintended consequences.

BSEE identified provisions that can be revised to reduce burdens on operators while maintaining the same level of safety and environmental protection on the Outer Continental Shelf.

Highlights

BSEE carefully analyzed all 484 provisions of the 2016 PSSR and determined that only 84 of those provisions -- or less than 18% of the 2016 Rule -- were appropriate for revision or deletion. The Final Rule includes, but is not limited to, the following revisions:

- **Update the incorporated edition of standards referenced in subpart H.**
The revised rule incorporates 12 updated industry standards.
- **Revise requirements for SPPE to clarify the existing regulations, and remove the requirement for operators to certify through an independent third party that each device is designed to function in the most extreme conditions to which it will be exposed and that the device will function as designed.**
Compliance with the various required standards (including American Petroleum Institute (API) Spec Q1, American National Standards Institute (ANSI)/API Spec. 14A, ANSI/API RP

14B, ANSI/API Spec. 6A, and API Spec. 6AV1) ensures that each device will function in the conditions for which it was designed.

- **Clarify that gas lift shut down valves (GLSDVs) are considered safety and pollution prevention equipment (SPPE).**
GLSDVs already must meet the requirements in §§ 250.835 and 250.836 for boarding shutdown valves (BSDVs).
- **Clarify failure reporting requirements.**
Allows BSEE to direct operators to submit failure reports to a 3rd party, acting on behalf of BSEE. BSEE has a contract with the Bureau of Transportation Statistics (BTS) to collect and process failure reporting data, allowing the information that the operators submit to be protected from release under the Confidential Information Protection and Statistical Efficiency Act (CIPSEA).
- **Clarify and revise some of production safety system design requirements.**
Includes revising the requirements for piping schematics, simplifying the requirements for electrical system information, clarifying when operators must provide certain documents to BSEE, and clarifying when operators must update existing documents.
- **Clarify requirements for atmospheric vessels carrying Class 1 liquids.**
Requires the inclusion on design documents of atmospheric vessels containing Class 1 liquids that are connected to the process system.
- **Update requirements for inspection of the fire tube for tube-type heaters.**
Deletes the requirement that fire tubes be removed during inspections, as alternate inspection methods and technology have proven to be effective and as safe or safer than removing the tube for visual inspection.
- **Clarify the requirement for notifying the District Manager before commencing production.**
Specifies that drawings do not need to be updated until a modification request is submitted to BSEE, but operators must receive approval from the district manager before commencing production through or utilizing the new or modified system.