

LETTER TO LESSEES, OPERATORS, AND CONTRACTORS ENGAGED IN AUTHORIZED ACTIVITIES ON THE OUTER CONTINENTAL SHELF

Stewardship: Decommissioning of OCS Infrastructure

By this letter, the Bureau of Safety and Environmental Enforcement (BSEE) reminds industry of its existing decommissioning obligations and BSEE's commitment to ensuring that industry timely decommissions Outer Continental Shelf (OCS) energy infrastructure. The timely decommissioning of offshore conventional and renewable energy infrastructure(s) by the OCS energy industry is critical for safety and environmental protection on the OCS.

BSEE regulations establish when decommissioning obligations accrue and when OCS energy infrastructure must be decommissioned. Infrastructure that must be decommissioned includes wells, platforms, pipelines, and other facilities operated under the OCS Lands Act (OCSLA) and its implementing regulations. Infrastructure not decommissioned by industry within the time specified in the regulations poses a potential threat to the environment and potentially increases financial liabilities if infrastructure is later destroyed or damaged (by, for example, a hurricane). The cost, time, and risks involved in removing storm-damaged infrastructure are significantly higher than when assets have not been damaged as of the time of decommissioning. Accordingly, timely decommissioning results in increased safety and environmental protection and decreased financial burden for industry and the American taxpayer.

BSEE has enforced, and will continue to enforce, decommissioning requirements as soon as decommissioning obligations become due. BSEE will also continue to review its regulations and policies to ensure that it is using all tools available under its statutory and regulatory authority to ensure timely decommissioning. For example, BSEE is working to ensure that its enforcement policies address decommissioning violations both immediately and as violations persist. BSEE has also addressed areas where additional industry guidance was necessary, including idle iron decommissioning timelines in the Gulf of Mexico Region and future utility review in the Pacific Region. BSEE continues to enhance its data gathering and analysis capabilities for decommissioning oversight capabilities, idle iron program information, and decommissioning enforcement actions. BSEE will continue to focus on finding ways to strengthen its decommissioning oversight capabilities consistent with recent Government Accountability Office recommendations. This may result in further regulatory changes to improve timely decommissioning and reduce idle iron and orphaned infrastructure on the OCS.

BSEE encourages all companies with decommissioning obligations to decommission OCS energy infrastructure within the regulatory timeframes. BSEE also encourages industry to start planning now for future decommissioning obligations to ensure timely access to decommissioning equipment, properly trained personnel, and operational readiness during favorable weather conditions.

If you have any questions about this letter to lessees, please email: bseepublicaffairs@bsee.gov

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