

U.S. Department of the Interior Minerals Management Service Office of Communications

NEWS RELEASE

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MMS PUBLISHES FINAL RULE IMPLEMENTING AGREEMENT WITH THE DEPARTMENT OF TRANSPORTATION CONCERNING PIPELINES ON THE OCS

Today, the Department of the Interior's Minerals Management Service published a final rule governing pipelines carrying oil and gas produced on the Outer Continental Shelf (OCS). This rule implements a Memorandum of Understanding between Interior and the Department of Transportation. Together, both agencies regulate the OCS pipelines. The rule appears in today's *Federal Register* notice.

The rule represents the first step toward a more streamlined regulatory system for OCS pipelines. Both Departments will continue to consult and cooperate in future rulemakings to ensure technical compatibility between their respective regulations. This interagency cooperation will eliminate unnecessary requirements for OCS pipeline operators.

In December 1996, Secretary of the Interior Bruce Babbitt and then-Secretary of Transportation Federico Peña agreed on a new regulatory approach designed in cooperation with industry. A workgroup representing OCS oil and natural gas producers and transmission pipeline operators proposed that individual operators of production and transportation facilities define the boundaries of their adjoining facilities for regulatory purposes. The MMS maintains regulatory responsibility for producer-operated facilities and pipelines, and Transportation's Office of Pipeline Safety is responsible for transportation pipelines and associated pumping or compressor facilities. Previously, many producer-operated pipelines were under DOT's regulatory program.

MMS is the federal agency that manages the Nation's natural gas, oil and other mineral resources on the OCS, and collects, accounts for and last year disbursed about \$6 billion in revenues from offshore federal mineral leases and from onshore mineral leases on federal and Indian lands.

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