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NEWS RELEASE

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MINERALS MANAGEMENT SERVICE ENGAGES BOOZ·ALLEN TO CONDUCT FOUNDATIONAL STUDY ON EGOVERNMENT

STRATEGY AIMED AT PROMOTING EFFICIENCY AND SAVING MONEY FOR GOVERNMENT, INDUSTRY AND TAXPAYERS

As part of a continuing effort to be the best minerals resource manager, the Mineral Management Service has engaged a consulting firm to help improve the agency's eGovernment program. The improved communications could save companies tens of thousands of dollars a day in down time while increasing efficiency at the agency.

Booz-Allen & Hamilton, a global management and technology consulting firm, is conducting the analysis for the MMS Offshore Energy and Minerals Management Program. For this project the firm has teamed with Houston-based Petris Technology, Inc., a web-based data management and eBusiness solutions provider focused on the oil and gas industry.

"Much of the program office's current processes are paper intensive and subject to overlapping data management needs," said Tom Readinger, OEMM deputy assistant director. "The Booz-Allen eGovernment strategy will help the OEMM streamline its efforts by linking with its stakeholder communities and exchanging data and transacting business via the web. Savings from the implementation of the system can be re-invested in improved safety and environmental monitoring, a key mission of the MMS," he added.

According to Booz-Allen & Hamilton vice president and officer in charge Lloyd Howell, modernizing the agency into an eGovernment operation will encourage speedier and more accurate reporting by oil and gas companies because they can file their permit requests and regulatory reports over the Internet. "It will provide immediate confirmation of receipts and result in improved response times to requests for approval of plans and permits," he said.

Lee Schubert, Booz-Allen's program manager, believes it could also improve the MMS' ability to protect the environment by assuring safe operation of offshore oil producing platforms. Taxpayers may also see returns because the initiative will provide environmental groups and state and local governments access to the agency's public information. Reducing processing delays could ultimately result in oil and gas royalties reaching the Federal treasury sooner.

"The protection of proprietary data in this effort is of paramount concern. As a custodian of such information, the Federal government must assure that a company's investment in an offshore lease development is not compromised, said August (Gig) Kocher III, OEMM information technology division chief. "Booz-Allen and Petris will help the OEMM develop an IT architecture that is robust and secure. These systems will lay the foundation for the OEMM IT environment for years to come."

According to Jim Pritchett, Petris' president, industry stands to gain almost as much as the government through easier reporting and ultimately more secure access to invaluable public information used in the exploration and production process. "The offshore oil and gas industry works every hour of every day of the year. To be able to submit data and proposals to conduct activities 24 hours a day, 7 days a week, 365 days a year would be a boon to the offshore oil and gas

industry. To receive immediate acknowledgement of any kind of filing would be a first. This may not be real-time government for the offshore oil and gas industry, but it is about as close as anyone can reasonably get."

Booz-Allen and Petris will help the MMS transform its Offshore Energy and Minerals Management Program into a webenabled environment for regulatory reporting and offshore leasing. OEMM eGovernment opportunities will focus on ensuring that the public receives value throughout the production lifecycle by decreasing time and costs of industry transactions, customizing information exchanges with both industry and the public, and increasing participation of key stakeholders.

The MMS manages the nation's natural gas, oil and other mineral resources on the Outer Continental Shelf (OCS). The agency also collects, accounts for and <u>disburses more than \$7.9 billion per year in revenues</u> from federal offshore mineral leases and from onshore mineral leases on federal and Indian lands.

Phase I of the contract began March 1 and will conclude in August 2001.

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