

## U.S. Department of the Interior Minerals Management Service Gulf of Mexico OCS Region

FOR RELEASE:

July 29, 1997

## MMS/Industry Performance Measures Workshop For OCS Operators and Lessees

You and other interested members of your company are invited to attend one of two Safety and Environmental Performance Measures Workshops that will be held in September 1997. It is important that all OCS operators be present at one of the Workshops since USA OCS safety and environmental performance measures will be introduced. Those who should attend are SEMP Coordinators, HS&E Staff, Operations Management/Supervisors, etc.

Members of the workgroup who developed the performance measures including the MMS and USCG will conduct the Workshops, be present to answer your questions and participate in the Workshops. After the Workshops, you should understand what the performance measures are and how they will be used to track industry and company specific safety and environmental performance. These measures were pilot tested by members of the work group for 1995 and 1996 and those results will also be presented at the Workshops.

The first Workshop will be held at the Airport Hilton Hotel in New Orleans, Louisiana, on September 9, 1997. The second Workshop will be held at the Sheraton Crown Hotel in Houston, Texas, on September 23, 1997. The preregistration fee of \$45 will include a continental breakfast and lunch. Late registration will be \$50. To enroll, complete and return the enclosed registration form. Each meeting will commence at 8:30 a.m. and conclude not later than 4:30 p.m. A continental breakfast and registration will start at 7:30 a.m. A package of reading material and an agenda will be mailed to all registrants.

In 1991, MMS announced its Safety and Environmental Management Program (SEMP). Beginning in 1995, the American Petroleum Institute began sponsoring annual evaluations of industry's voluntary implementation of SEMP for OCS operators. Based on these results and other reasons, MMS became interested in finding a way to measure the actual effectiveness of SEMP implementation. When Mr. Hank Bartholomew, MMS Deputy Associate Director of Offshore Operations and Safety Management, proposed this initiative, he stated "In the end, it is the performance of operators and not their mere compliance with our regulatory program that is important." More recently, Ms. Carolita Kallaur, Associate Director of Offshore Minerals Management also stated that the MMS was going to be firm but fair when it comes to poor safety and environmental performance and they would make full use of its civil and criminal penalties where warranted. She also said that poor performance may merit leasing and assignment restrictions even to the point where MMS may pursue lease revocation. However, MMS will also try to find ways to reward the good performers.

Due to MMS's interest in SEMP effectiveness, they proposed a performance measures initiative to industry in 1996. Consequently, MMS and industry formed a work group to investigate development of measures which would demonstrate the safety and environmental performance of the OCS industry. Based on a series of facilitated meetings in 1996 and 1997, the work group which was comprised of members of industry (both majors and independents) and the regulatory community established a set of performance measures. The project had the following overall purposes:

- 1. To determine if OCS safety and environmental performance is improving after implementation or RP 75 (SEMP) at OCS operations.
- 2. To provide the average and range for various quantitative measures against which companies can compare themselves.

- 3. To give MMS assurance that an operator's safety and environmental performance is improving.
- 4. To provide background data upon which companies that have implemented RP 75 programs and have demonstrated good performance can base requests to MMS for specific regulatory relief.

In light of Ms. Kallaur's recent comments, the timing of the initiative seems almost provident. In addition, offshore operators and organizations will have a credible data source that will enable them to better demonstrate the long-held opinion that OCS operators have an excellent safety and environmental record. The data will be normalized where appropriate to account for annual programmatic fluctuations that affect the performance measures thereby providing more consistent information that is comparable across the companies operating on the OCS.

## **Members of the Work Group are:**

**Amoco Production Company** 

BP Exploration Inc.

**Burlington Resources** 

Chevron USA Inc.

Cockrell Oil Corporation

Conoco, Inc.

Enron Oil and Gas Company

Exxon Company, U.S.A.

Kerr-McGee Corporation

Marathon Oil Company

Mobil E&P U.S. Inc.

Murphy E&P Company

Newfield Exploration Company

Shell Offshore Inc.

Taylor Energy Company

Texaco E&P, Inc.

Vastar Resources, Inc.

API

**IADC** 

**IPAA** 

**NOIA** 

OOC

**MMS** 

**USCG** 

## **Questions** regarding the Workshops should be directed to one of the following:

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Workshop Registration Form

