1. **Purpose.** This Interim Policy Document formalizes and reaffirms the National Outer Continental Shelf (OCS) Annual Performance Review program of the Minerals Management Service (MMS).

2. **Authority.** 43 U.S.C. 1331 *et seq.*

3. **Reference.**
   A. 30 CFR 250.101(a)
   B. NTL No. 2008-N02

4. **Policy.**
   A. **Performance Review Issues.** An Annual Performance Review (APR) of each operator is to be conducted on an annual basis and examine:

   (1) An operator’s history of compliance as it relates to the MMS Inspection Program;
   (2) Any action that MMS has forwarded for review or has resulted in a civil penalty;
   (3) An operator’s safety record as it relates to accidents and incidents; and,
   (4) An operator’s Safety and Environmental Management Program as it relates to accidents and non-compliance concerns.

   B. **Notification of Findings.** Following completion of each annual review, select operators are sent a letter in regard to MMS findings. If a meeting is requested by the MMS, the letter will give recipient operators a 45-day period to schedule a performance review meeting to discuss the relevant issues. (Due to the manageable number of operators working in the POCSR, all operators are sent a letter requesting a meeting to be held in the first quarter of the calendar year regardless of individual operator performance.) Operators are encouraged to bring their own information which may shed light on their performance during the preceding year. The intent of performance review meetings is to allow the MMS an opportunity to learn and understand how operators plan to maintain and/or improve their compliance, safety, and, environmental performance records as well as to discuss OCS-wide matters of interest. These interactions are purposed to ensure that the highest levels of management for OCS hydrocarbon and mineral development operating companies are consistently engaged in enhancing their company’s safety culture.
C. Performance Reviews and Meetings. The list of operators subject to review is adjusted, when needed, to recognize mergers, buyouts, and other changes of facility ownership so that performance reviews are conducted only for active OCS operators and only for those facilities that they currently own.

D. Meeting Forum and Agenda. The forum used for performance review meetings will vary depending on the nature of the agenda. Discussions of a critical nature or those that may require significant dialogue between key personnel will generally involve face-to-face meetings. Discussions of a less critical nature that can be achieved through the limited exchange of information may be held by teleconference. Where performance issues are minor and/or non-existent, contact by phone or letter may suffice.

The agenda for APR meetings will vary depending on national, regional, and local issues. Examples of agenda items that may be identified for discussion include:

(1) Operator safety and compliance history;
(2) Events, accidents, and civil penalty referrals/assessments;
(3) Level, type, and management of operations;
(4) Organizational information or changes that may have affected compliance or performance during the preceding year;
(5) A company’s success in incorporating the prior year’s goals;
(6) Establishment of new goals for the upcoming year;
(7) Special topics/situations unique to the operator; and,
(8) OCS-wide performance issues.

E. Meeting Frequency. Generally, a performance review meeting will occur annually following completion of each annual performance review. However, MMS may schedule a meeting as infrequently as once every 4 years for operators who maintain an Operator Safety Index (OSI) superior to the industry rate, remain free of significant events (i.e., fatalities, major accidents, major spills/fires, etc.), and foster a safe work environment through proven management systems, regulatory compliance, and safety practices. On the other hand, for operators whose Operator Safety Index (OSI) is inferior to the industry rate, meetings will be scheduled as frequently as needed to ensure the operator is making adequate progress towards improved performance in all of their OCS activities.
5. **Responsibilities.** The various Regional Directors/Manager of the MMS’s OEMM, and their duly designated appointees, are responsible for ensuring that APRs are conducted.

6. **Cancellation.** This IPD will remain in effect until incorporated into the MMS Manual, canceled, or superseded with another IPD.

Chris C. Oynes  
Associate Director for  
Offshore Energy and Minerals Management