

DIRTY DRILLING

Trump Administration Proposals Weaken Key Safety Protections and Radically Expand Offshore Drilling

SYSTEMIC PROBLEMS IN OFFSHORE OIL OPERATIONS

Weak Oversight

The Bureau of Safety and Environmental Enforcement (BSEE) is tasked with ensuring safety and environmental protection in offshore drilling, but the Government Accountability Office (GAO) found BSEE's enforcement capabilities inadequate.

AS OF 2018

BSEE
EMPLOYED

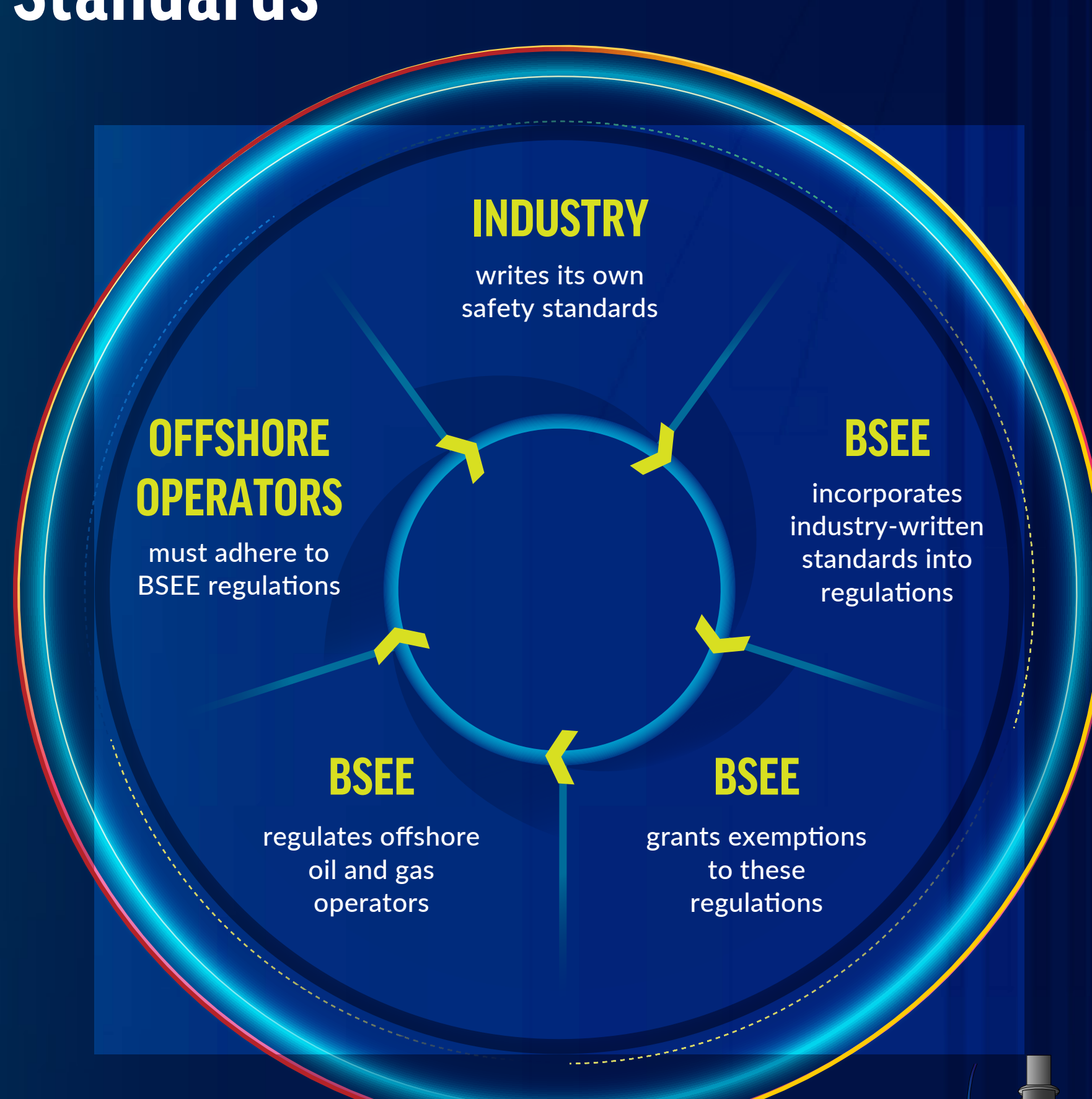
ROUGHLY

120
INSPECTORS

TO CONDUCT
MORE THAN

20,000
INSPECTIONS
ANNUALLY

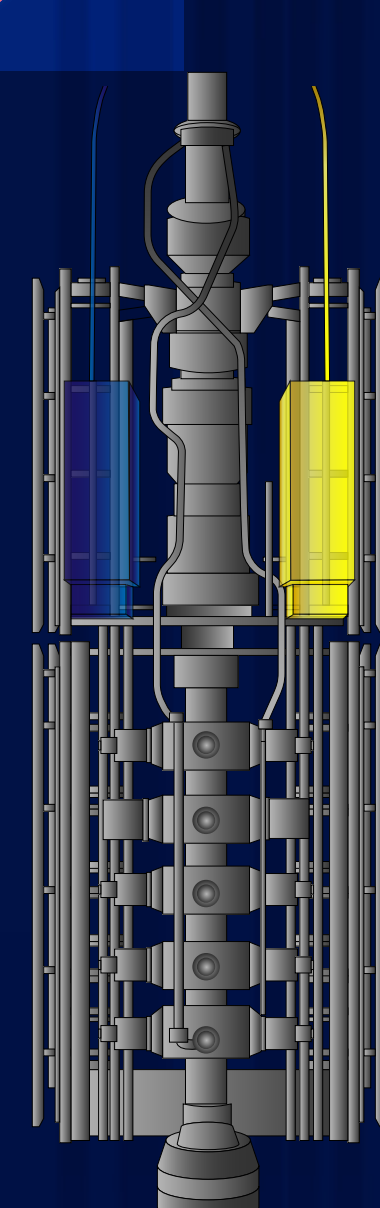
BSEE Relies Heavily On Industry-Written Safety Standards



Blowout preventers are not reliable

While blowout preventers are the last line of defense against a catastrophic spill, they are not tested under conditions that replicate the extreme environment to which they may be exposed.

A combination of severe environmental conditions, human error and mechanical error led to the failure of the BP Deepwater Horizon blowout preventer.



\$1,000,000



Operating
Cost/Day

\$44,675

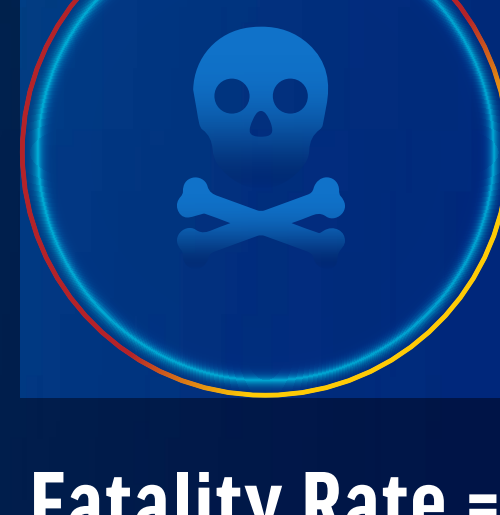
Penalties/Day/
Violation

Grossly inadequate civil penalties fail to deter corner-cutting

Operating costs for offshore drilling can be **\$1 million per day**, but penalties for violating offshore operating requirements are capped at only **\$44,675** per day per violation.

INDUSTRY PROFITS ARE IN THE **BILLIONS** PER YEAR.

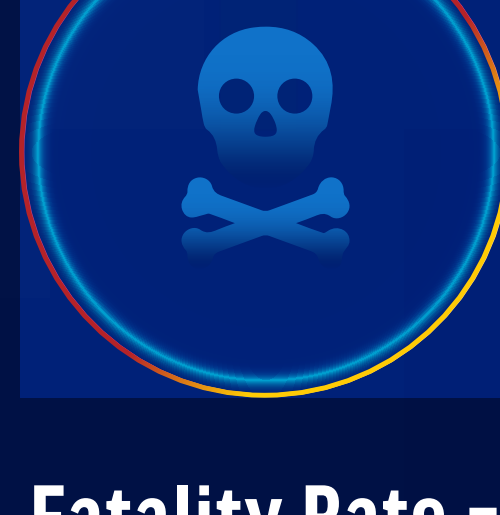
U.S. offshore industry's safety culture has not sufficiently improved since the BP Deepwater Horizon disaster



**Fatality Rate =
4x Higher**

THAN IN EUROPE

At the time of the BP Deepwater Horizon explosion that killed 11 rig workers, the U.S. offshore oil industry had the highest reported rate of fatalities among its international peers. Industry's fatality rate was four times higher than in European waters between 2004 and 2009.



**Fatality Rate =
7x Higher**

THAN OTHER U.S. WORKERS

In the United States, the oil and gas industry's fatality rate (both onshore and offshore) was an average of seven times higher than among other U.S. workers in general between 2003 and 2013.



**1,568 Injuries
Reported**

BETWEEN 2011-2017

According to the most recently published BSEE data since the BP Deepwater Horizon disaster, offshore operators reported 1,568 injuries between 2011 and 2017.

These numbers demonstrate the inherent danger of offshore oil and gas activities.

ONGOING OIL SPILLS CONTINUE TO POLLUTE OUR OCEANS

Far too many spills continue in U.S. waters every year

6,500

At least **6,500** oil spills occurred in U.S. waters between 2007 and 2017.

4X

One study determined oil spill size estimates are on average over four times larger than what is reported to the Coast Guard.

**SPILLS ARE
TYPICALLY
FAR LARGER
THAN
REPORTED.**

Oil spill clean-up methods are limited and largely unchanged since the late 1980s

60 MILLION

After "clean-up" following the BP Deepwater Horizon disaster, up to an estimated **60 million** gallons of oil remained in the environment - that is five times more than the total amount initially spilled by the Exxon Valdez.

\$14 BILLION

Clean-up costs alone amounted to over **\$14 billion** in the years directly following the BP Deepwater Horizon spill.

A Coast Guard Admiral who responded to the Deepwater Horizon spill, stated that seas over four feet rendered the Coast Guard's ability to remove the oil "virtually impossible."

Financially at-risk companies place an enormous financial burden on the public

\$33 BILLION

After production concludes, companies must address oil and gas infrastructure, including its removal from the environment.

449

Some smaller companies do not have the resources available to decommission their facilities, leaving American taxpayers to face the burden for those costs when wells must be capped. As of 2015, those liabilities were approximately **\$33 billion** in the Gulf of Mexico.

Financially at-risk companies operate roughly **449** of the 2,104 active facilities in the Gulf.

PRESIDENT TRUMP WEAKENING SAFEGUARDS ESTABLISHED IN WAKE OF BP DEEPWATER HORIZON

In 2017, President Trump issued executive orders directing BSEE to begin rolling back key safeguards

BP Deepwater Horizon Disaster

April 20, 2010

Production Safety Systems Rule

Issued: September 7, 2016

Arctic Drilling Rule

Directive to review for potential revision: April 28, 2017

Well Control Rule

Rollback proposed: May 11, 2018

Arctic Drilling Rule

Issued: July 15, 2016

Financial Assurances Procedures

Issued: July 18, 2016

5 Year Program for Offshore Drilling

2017-2022 Program finalized: November 18, 2016

5 Year Program for Offshore Drilling

2019-2024 Program proposed: January 4, 2018

Well Control Rule

Issued: April 29, 2016

Financial Assurances Procedures

Directive to review for potential revision: April 28, 2017

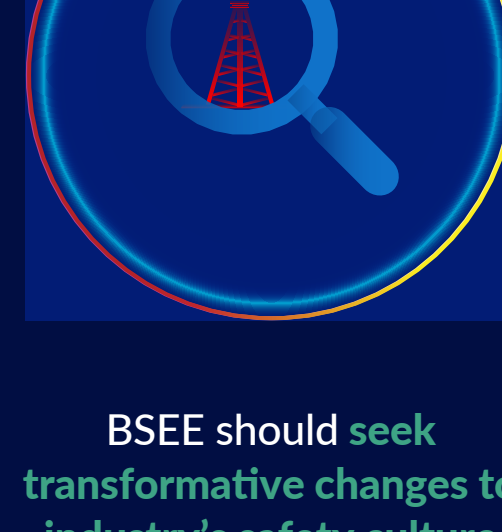
Production Safety Systems Rule

Rollback finalized: September 28, 2018

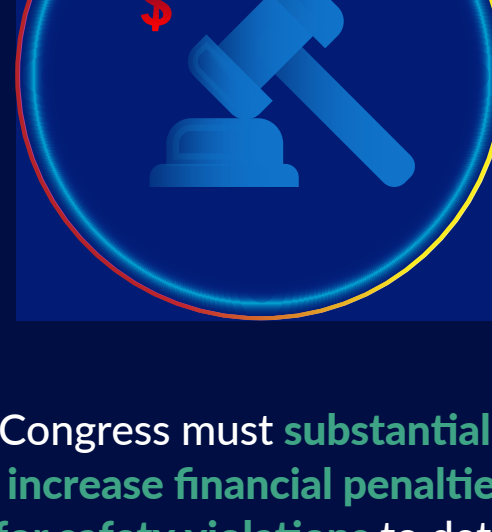
RECOMMENDATIONS:



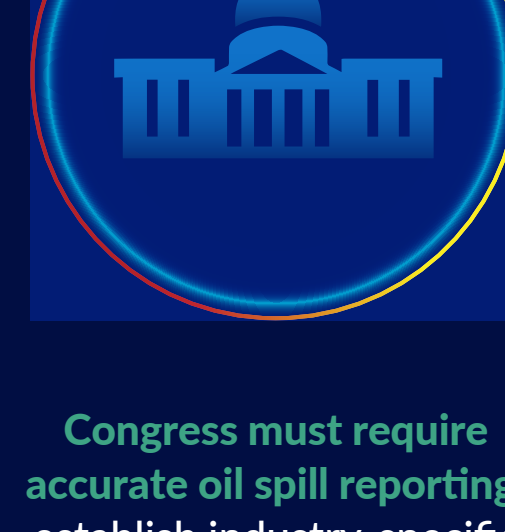
President Trump should direct his administration to halt all efforts to expand offshore drilling activities to new areas and abandon attempts to weaken safety regulations.



BSEE should seek transformative changes to industry's safety culture through greater inspections and enforcement, and by reducing reliance on industry-written standards.



Congress must substantially increase financial penalties for safety violations to deter dangerous, non-compliant behavior and ensure that risk-taking is no longer profitable.



Congress must require accurate oil spill reporting, establish industry-specific penalties for under-reporting, increase federal resources and research new clean-up technologies.

For Oceana's full report, please visit oceana.org/DirtyDrilling