



BIPARTISAN POLICY CENTER

Assignment

- The National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling requested that the Bipartisan Policy Center, “identify the appropriate questions for the federal government to consider in determining which of the suspended activities could safely resume if the moratorium were lifted.”

Conclusion

- We believe that the need to impose a moratorium on deepwater drilling reflects how unprepared both government and industry were for an incident of this magnitude.
- The DOI’s drilling moratorium has served the productive purpose of allowing time for both industry and government to prepare for a safer, more vigilant, and dependable future for U.S. offshore drilling.
- We believe DOI and the industry have used this time effectively to develop a new regime for drilling in the Gulf of Mexico.
- We are satisfied that compliance with the Interior Department’s Notice to Lessees #5 and #6 and other actions by the Department of Interior (DOI) will achieve a significant and beneficial reduction of risk.
- We believe this new regime will provide an adequate margin of safety to responsibly allow the resumption of deep water drilling in the Gulf of Mexico.
- It is possible that the costs and technical sophistication needed to comply with these new requirements may discourage some rigs and companies from future operation in the Gulf of Mexico.
- Although this outcome would be unfortunate, we believe it is imperative that all companies be held to a consistent set of safety requirements.
- While we appreciate the costs of delay, we urge DOI and industry to ensure effective compliance with this new regulatory regime.

Prevention

- While numerous questions remain about the adequacy of DOI’s past oversight, it should be commended for its far-reaching effort over the past three months to improve the safety of deepwater drilling.
- Based on a wide array of commentary and our own review, we believe that the increased DOI safety measures represent a reasonable and appropriate near-term framework to mitigate the risks associated with deepwater drilling.
- While we do not support the dilution of any of these requirements for purposes of mere expedience, DOI should adopt a strategic approach to reviewing industry compliance with new safety requirements to ensure that, the safe resumption of drilling does not take an undue amount of time.

Containment

- Over the course of the last four months, BP, government, and industry experts have developed considerable knowledge and physical infrastructure to respond to deepwater incidents.
- To maintain and build upon the current containment capacity, all critical containment equipment must be preserved and pre-staged.
- Based on the expectation that this knowledge and equipment will be available to all deepwater operations, the industry should be able to respond to a similar incident with far greater speed and effectiveness.
- The Marine Well Containment (MWC) joint industry initiative, led by Chevron, ConocoPhillips, ExxonMobil, and Shell, to rapidly develop advanced containment capacity is commendable for its breadth – enhanced near-term response capacity and ongoing R&D – and aggressive 18-month timeframe for comprehensive response capacity.

Response

- The failure of response systems to improve alongside advances in exploration technology is glaring.
- Broadly speaking, response capacity at this scale of incident appears inadequate across the entire industry and around the world.
- However, if the majority of response equipment remains pre-positioned in the region, and if it is supplemented over time with improved technology, the industry and federal agencies will be better situated than ever before to respond to a major spill in the Gulf.