

Salazar -- new inspectors headed to drilling agency

Matthew Daly, Associated Press, 9-9-10

WASHINGTON — The Obama administration said Wednesday it will spend \$29 million to increase the number and training of offshore drilling inspectors, upgrade enforcement and take others steps to improve the beleaguered agency that oversees offshore drilling.

Interior Secretary Ken Salazar said the agency hopes to hire hundreds of new inspectors to supplement the 60 or now responsible for about 3,500 drilling rigs and platforms in the Gulf of Mexico. Congress recently authorized the emergency spending.

Salazar said he also is requesting an additional \$100 million in the next budget year to further accelerate hiring and other reforms at the drilling agency, formerly known as the Minerals Management Service, which has long been plagued by staffing shortages and an overly cozy relationship with the industries it oversees. The problems came to the fore following the BP oil spill, and the agency has since been restructured and renamed, with a new director.

"We are absolutely committed to building a regulatory agency that has the authorities, resources and support to provide strong and effective regulation and oversight - and we are on our way to accomplishing that goal," Salazar said as he released an internal report outlining steps to improve the agency, now known as the Bureau of Ocean Energy Management, Regulation and Enforcement.

The 39-page report recommends that officials sharply increase the number and training of inspectors, conduct more surprise inspections, and stiffen fines and civil penalties on companies found to violate federal rules.

Above all, the report says that from Salazar and Director Michael Bromwich down the drilling agency must pursue a "culture of safety in which protecting human life and preventing environmental disasters are the highest priority," far above encouragement of offshore leases. The drilling agency both oversees oil and gas drilling and collects about \$13 billion a year from oil and natural gas leases on federal lands and in federal waters.

Salazar, who ordered the report in May after the BP spill, called it honest and unvarnished.

"It doesn't sugarcoat problems," he said, adding that the report provided a blueprint for reforms, including many that have already begun.

Last week, the drilling agency announced a first-ever ethics policy that bars inspectors from dealing with a company that employs a family member or personal friend. The new policy is intended to end cozy relationships with industry and slow the revolving door between government and the energy industry.