H.R. 5677, the SAFEGAURDS Act

Would amend the Outer Continental Shelf Lands Act and the Federal Water Pollution Control Act to modernize and enhance the federal government's response to oil spills, to improve oversight and regulation of offshore drilling.

• Require the Coast Guard to approve response plans (Sections 2 and 3)

- O Under current law, the Coast Guard is ultimately responsible for leading the government's response to an oil spill in America's coastal waters. Offshore oil rigs must submit their drilling and exploration plans to the Minerals Management Service (MMS), which are supposed to include spill response plans.
- o However, these oil rigs do not have to get their oil spill response plans approved by the Coast Guard.
- O This measure would require offshore oil rigs to submit oil spill response plans to the Coast Guard for the Coast Guard's approval.
- This would also require the Coast Guard to review and approve all current offshore facility oil spill response plans in an expedited fashion.
- The Coast Guard is responsible for the federal government's response to oil spills.
- Facility response plans currently only have to be approved by MMS.
- MMS officials have been implicated in scandals with oil company officials
- If the Coast Guard has to clean up the spills, they should review the clean up plans ahead of time.

• Update worst case scenario response plans (Section 4)

- o The Deepwater Horizon's blowout preventer failed to work properly.
- o BP's exploratory plan did not include a blowout scenario. (CRS R41265)
- O A blowout preventer is just one type of oil containment device that is used during certain phases of the exploration process; other devices are also used at different phases to prevent oil from being released.
- O This measure would require oil spill response plans to account for a worst case scenario resulting from an uncontrolled discharge, which includes the failure of a blowout preventer or containment device.
- As exposed by the failure of the blowout preventer in this BP disaster, an
 uncontrolled discharge is truly a worst case scenario and oil companies should be
 required to plan for it.

• Require the EPA to monitor water quality after oil spills (Section 5)

- After oil was found to be leaking from the Deepwater Horizon, it took the EPA several days to begin monitoring water quality in the Gulf of Mexico.
- This measure would require the EPA to begin monitoring water quality promptly (48 hours) after an oil spill is discovered.
- It is important for the public to have accurate information about how our water, wildlife, and our beaches are being affected as quickly as possible.

• Allow enough time to properly review oil exploration proposals (Section 6)

o Currently, MMS has 30 days to review an exploration plan. If the review cannot be completed in time, MMS has often granted a categorical exclusion.

- The MMS has stated that it needs more time (specifically 90 days) to review oil exploration proposals. (Secretary Salazar testimony before the Senate EPW Committee hearing May 18, 2010)
- o This measure would allow 90 days (can be extended for up to 150 days if needed) for a review.
- This additional time gives both the MMS and the Coast Guard adequate time to review plans.

• Place the Commandant of the Coast Guard in charge of the government's response to large oil spills (Section 7)

- O Under current law, the President can name an individual as the National Incident Commander after a Spill of National Significance is declared.
- After a Spill of National Significance was declared for Deepwater Horizon, it took President Obama 2 days to appoint Admiral Thad Allen as the National Incident Commander.
- o This measure would establish the Commandant of the Coast Guard automatically as the National Incident Commander to oversee the federal government's response to large oil spills that occur in coastal waters.
- This would create certainty as to who is in charge and allow for consistency in the response plan.
- It would also allow the National Incident Commander to be prepared for the job.

• Prohibit Categorical Exclusions (Section 8)

- o Deepwater Horizon was given a categorical exclusion for the exploration plan submitted by BP. (CRS R41265)
- o This allowed BP to circumvent a review as required by the National Environmental Policy Act.
- This measure would prohibit categorical exclusions from being given for any exploration plan.
- As we have seen, lapses in oversight can have enormous consequences.
- There is no excuse why every step of the oil drilling process should not be vetted properly.

• Update the National Contingency Plans (Section 9)

- O Currently, there is only one hazardous materials response plan than covers emergencies both inland and on coastal waters. These plans place either the EPA or the Coast Guard in charge of the response effort.
- o The National Contingency Plan hasn't been updated since 1994.
- This measure would require the response plan to be updated at least every five years.
- o This measure would require a clear delineation of responsibility for the two separate environments that fall under the jurisdiction of the two agencies.
- Oil spills in our coastal waters are a unique disaster that deserves its own response plan where it is clear who is in charge.