

SUPPORTING STATEMENT

B. Collection of Information Employing Statistical Methods

1. Describe the Survey Procedures.

This data collection does not involve a survey. It is the reporting of a qualifying event on a mandatory basis pursuant to BSEE regulations as referenced in 30 CFR 250.730 and 30 CFR 250.803. Unlike a survey, where all respondents are expected to respond, BTS will receive a failure report only if and when a regulated entity experiences a barrier failure event as described in the cited regulations. Because the failure reporting is mandatory by all regulated entities upon experiencing a qualifying event, there is no sample selection for this data collection. All entities regulated by BSEE will be eligible to submit reports to BTS whenever they experience a qualifying event, i.e., when a barrier failure event occurs related to oil and gas operations on the OCS.

The exact frequency of barrier failure events is unknown; however, based on previous failure events and related research, BSEE estimates the annual collection of 30 blowout preventer (BOP)-related failure notices, 30 BOP-related failure analysis reports, 2 BOP-related reports of corrective action or design change/modified procedures, 10 safety and pollution prevention equipment (SPPE)-related failure notices, 10 SPPE-related failure analysis reports, and 1 SPPE-related report of corrective action or design change/modified procedures. These may be underestimates which could grow in future years as industry becomes more familiar with the reporting processes and will be adjusted accordingly once BTS has received a sufficient amount of reports to make such determination.

Previous experience suggests that it takes industry members several months to become familiar with and build enough trust in a program that involves confidential reporting of potentially serious or even catastrophic events. Therefore, initially, we do not expect reports received by BTS to be representative of all barrier failure events in the industry. As confidence in this effort increases, reporting of barrier failure events is expected to become more representative of true barrier failure events in OCS oil and gas operations.

2. Description of procedures for the collection of information.

Respondents who report a barrier-related failure will be asked to fill out a form based upon the requirements of 30 CFR 250.730(c) and 30 CFR 250.803 and cited industry standards. They will also be asked to submit supplemental information and analysis as described in 30 CFR 250.730(c) or 30 CFR 250.803 and cited industry standards. Respondents will have the option to mail or submit the reports electronically to BTS. Respondents will be asked to provide information such as: (1) Name and contact information; (2) time and location of the failure event; (3) a short description of the failure event and operating conditions that existed at the time

of the event; (4) contributing factors to the event; (5) results of an investigation or safety analysis report; (6) any design or procedural changes as a result of the reported equipment failure; and (7) any other information that might be useful in determining ways to prevent such failures from occurring.

BTS will: collect failure notices, failure analysis reports, and design change/modified procedures reports as described in 30 CFR 250.730(c) and 30 CFR 250.803 submitted by industry operators, their contractors, original equipment manufacturers, and others employed in the oil and gas industry; develop an analytical database using the reported data and other pertinent information; conduct statistical analyses and develop public reports; and protect the confidentiality of notices and reports in accordance with BTS' own statute (49 U.S.C. § 6307) and CIPSEA. In accordance with these confidentiality statutes, only statistical (aggregated) and non-identifying data will be made publicly available by BTS through its reports. BTS will not release to BSEE or any other public or private entity any information that might reveal the identity of individuals or organizations mentioned in failure notices or reports without explicit consent of the respondent and any other affected entities.

3. Describe the methods to maximize response rates, and describe how the Department deals with non-responses.

Reporting of barrier failure events as described in relevant BSEE regulations is mandatory; regulated entities must report a barrier failure event directly to BTS. Submitting directly to BTS will provide parties in the oil and gas industry a trusted means of reporting sensitive proprietary and safety information related to equipment failures thus fostering trust in the confidential collection, handling, and storage of the raw data.

Feedback from the industry during the rulemaking and form drafting processes indicates substantial reluctance to provide detailed barrier failure event information without the additional protections of CIPSEA. Reports submitted directly to BSEE use an abbreviated data collection form that includes only limited information related to barrier failure events. Reports submitted directly to BTS use a longer data collection form that includes additional essential detail about a barrier failure event such as equipment history information, certain important event data information, and root cause information. The additional detail included in the longer form is critical to comprehensively assess failures and determine appropriate exposure population data for risk estimates, in service of BSEE's mission to promote safety, protect the environment, and conserve resources offshore.

Steps have been taken to increase industry awareness of this alternate reporting process and continuously accept industry input on data collection forms. These steps include ongoing meetings, technical reviews by industry subject matter experts, and conversations with various industry groups.

4. Describe any tests of procedures or methods undertaken.

The BTS reporting forms are based upon the requirements of 30 CFR 250.730(c) and cited industry standards for blowout preventer (BOP)-related failure events and 30 CFR 250.803 and cited industry standards for safety and pollution prevention equipment (SPPE)-related failure events. The BOP failure-related reporting form is based on a form developed by the International Association of Drilling Contractors (IADC). BTS, BSEE, and IADC collaborated to develop a standardized data collection form, developed guidance on how to provide the data to SafeOCS, and create an electronic reporting system.

The SPPE failure-related reporting form was developed from existing industry standards for failure reporting related to SPPE. SafeOCS staff and subject matter experts (SMEs) review, analyze, and assess data submitted to BTS that provide context for the reported equipment component failures.

5. Provide the name and telephone number of individuals consulted on the statistical aspects of the design and the name of the agency unit, contractor grantee, or other persons who will actually collect and/or analyze the information for the agency.

The team involved in the development of the barrier failure data warehouse and data analysis is as follows:

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