

Records suggest feds ignoring offshore environmental enforcement

David Hammer, WWL-TV, New Orleans 8:59 a.m. EDT September 23, 2015

An investigation finds the federal agency that regulates offshore oil and gas drilling and production has all but ignored an environmental enforcement division beset by understaffing and massive work backlogs. VPC



(Photo: WWL-TV, New Orleans)

NEW ORLEANS — The federal agency that regulates offshore oil and gas drilling and production has used budget increases since the BP disaster to hire dozens of engineers and geologists, but has all but ignored an environmental enforcement division beset by understaffing and massive work backlogs. (<http://on.wwltv.com/1KuaBtO>)

Michael Bromwich, who created the Interior Department's Bureau of Safety and Environmental Enforcement to separate regulators from the influence of the oil and gas industry, set up an environmental enforcement division to make sure companies operate without damaging marine life and habitat.

Bromwich secured funding from Congress for 22 full-time positions in the division, went on a nationwide recruiting tour and hired 12 environmental regulators in the agency's first year and a half.

But in the three budget years since Bromwich left, government records show only two of 10 funded vacancies have been filled. Meanwhile, the agency's budget has increased by hundreds of millions of dollars. It's hired 77 new employees since a hiring freeze was lifted last November, building staff in almost every section of the agency — other than the one responsible for protecting the environment.



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(<http://www.usatoday.com/story/money/business/2015/07/02/gulf-states-reach-187b-settlement--bp-over-oil-spill/29611451/>)

BSEE and its sister agency, the Bureau of Ocean Energy Management, also recently announced a second round of incentive bonuses for petroleum engineers and geologists, but have not offered any incentives to environmental scientists who are responsible for similar oversight on environmental issues.

"I have been away from BSEE for almost four years and therefore cannot speak to the various challenges that BSEE has undoubtedly faced in trying to develop from scratch a capability that did not previously exist," Bromwich, now a private consultant, said when asked about what has happened to a central aspect of his reform efforts.

"I have spoken with (BSEE) Director (Brian) Salerno about this and many other issues since he took over. I am confident he shares the vision for environmental enforcement that led to the creation of the EED and that he and others in the agency will continue to work towards that goal."

But critics say the internal records show a lack of dedication to environmental concerns. And some say it's all part of a larger effort by holdovers from the old [Minerals Management Service](#) to restore what Obama called a "cozy" relationship between regulators and the oil and gas industry and to undermine Bromwich's reforms.

"Bromwich was brought in to change the agency," said Cynthia Sarthou, executive director of the Gulf Restoration Network, an environmental group based in New Orleans. "But what we've seen with older, established agencies is that when reforms are brought in, the long-term agency staff simply have the attitude that, if we wait, it will revert back to the way it was."



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That mirrors what a former Bromwich hire said last year about the reaction to another key component of the reforms: an offshore training center for the regulators to be housed in Harahan. Former training center director Chris Barry resigned in 2012 and sued BSEE for hostile working conditions, claiming he was harassed and told by a supervisor that "as soon as Mr. Bromwich leaves, everything will go back to the way it was."

Sarthou's staff at Gulf Restoration Network reports dozens of oil spills and other environmental violations to the [U.S. Coast Guard](#) every time they go offshore to monitor oil and gas activity. She said the lack of staff in the environmental enforcement division, which is responsible for issuing citations for environmental violations, may explain the disturbing lack of follow-up to her staff's eyewitness reports.

She says she is disturbed by the way BSEE is relying on self-reporting by the industry. Gulf Restoration Network was part of a consortium of environmental watchdogs that helped The Associated Press this spring expose the vast under-reporting of an 11-year-old oil spill by New Orleans-based Taylor Energy.

After the AP investigation, the Coast Guard was forced to adjust its findings and acknowledged the abandoned Taylor well was leaking 20 times as much oil as the company had claimed.



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"They don't want anything to seem like it's too large, so they minimize it," Sarthou said. "And it requires regulators to go out there and verify it and hold these people accountable."

It took [WWL-TV](#) seven months to get BSEE to turn over annual environmental compliance reports filed by the Environmental Enforcement Division staff in 2014 and 2015, and the station is still waiting for weekly reports it requested in February. The records BSEE did produce indicate the Environmental Enforcement Division doesn't have enough lower-level staff to keep up with basic paperwork and is relegated to "passive" reviews of documents the oil and gas companies provide — documents that offer the companies' portrayal of how their own activities are affecting the Gulf environment, rather than "active," independent observations by regulators.

The Environmental Enforcement staff rarely gets to go offshore, in part because they are swamped under by a backlog of so-called Post Activity Submittals. These reviews of oil company paperwork essentially stopped for two years after the BP disaster, and the backlog climbed as high as 1,600 submittals awaiting review in 2012, according to BSEE spokesman Greg Julian.

In the 2013 environmental compliance report, the staff explains how doing active environmental compliance checks would have a more positive impact on oil companies' sense of environmental responsibility.

The 2014 report concludes with this somber warning: "Sadly, delayed compliance and enforcement is almost as problematic as no compliance or enforcement when it comes to improving industry's environmental culture."

But BSEE leadership in Washington apparently wasn't moved by the appeals coming from New Orleans. The 2013 report describes a "miscommunication" between Salerno's office and human resources staff in Washington that prevented the environmental enforcement division from filling 10 fully funded vacancies.

Human Resources posted the vacant positions in 2013 and got 2,500 responses. But the report says the HR office put out the wrong job information so that just seven of the 2,500 candidates meet the minimum requirements and none were deemed qualified to be hired.

In 2014, there was no such "miscommunication" when only two of the 10 vacancies were filled. The report says the BSEE deputy director, Margaret Schneider, only allowed the Environmental Enforcement Branch in New Orleans to recruit for two water quality experts and none of the eight entry-level staff needed to deal with the backlogged reviews.

But Julian, the BSEE spokesman, said the post activity submittal backlog has been whittled down without having to hire any new environmental people. It was down to 900 by January of 2015 and down to 300 this month, he said.

Julian defended the agency's decision not to hire more environmental scientists, saying it has to use the money allocated by Congress for environmental enforcement on more than just employee salaries, but also for equipment, research, training, travel and other operational expenses.

"BSEE continues to support a strong and effective environmental compliance and enforcement program," Julian said. "All monies allocated by Congress in this account have and continue to be dedicated to advancing efforts to see that exploration, development and decommissioning activities are conducted in an environmentally safe manner."

But that statement seemed to be contradicted by testimony before a congressional committee this month by BSEE's Gulf regional director, Lars Herbst.

"Our ability to successfully accomplish our mission depends on recruiting and retaining qualified technical experts," he said.

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