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## OIL SPILL FINANCIAL RESPONSIBILITY TO INCREASE (#30038)

The Department of the Interior's Minerals Management Service (MMS) published an Advance Notice of Proposed Rulemaking (ANPR) in today's Federal Register advising all operators of facilities handling oil and oil products located in, on, or under the navigable waters of the United States that they will need to provide evidence of financial responsibility.

The Oil Pollution Act of 1990 (OPA '90) mandates the development of new regulations to implement provisions of the law that increase financial responsibility requirements for Outer Continental Shelf (OCS) operators handling oil from \$35 million to \$150 million. For the first time, all operators in, on, or under navigable waters of the United States and its territories, will face new regulations establishing the identical \$150 million requirement.

This notice identifies major issues and solicits information that will help MMS prepare workable regulations. "The law contains provisions aimed at strengthening oil spill prevention, response capability, and cleanup efforts as well as ensuring payment of damages resulting from oil spills should they occur," MMS Director Tom Fry explained. "Since MMS has the responsibility to implement and enforce this law, I want to make sure that those most affected have an opportunity to help us write rules that are as fair and equitable as possible under this statute.

"OPA'90 potentially broadens the categories of activities that fit the definition of offshore facilities," continued Fry. "Local oil or gasoline storage and distribution centers and marinas, for example, could be affected."

In addition to economic matters, the Notice requests information about:

- \* Interaction of States/Territories and the Federal government to enforce OPA '90 financial responsibility requirements;

- \* Extension of MMS jurisdiction for financial responsibility to the territorial sea, inland navigable waters, and the navigable waters of U.S. territories, in addition to the Outer Continental Shelf (OCS);
- \* Acceptable methods available to demonstrate evidence of oil spill financial responsibility;
- \* Procedures to be used to demonstrate oil spill financial responsibility;
- \* Responsibilities, liabilities, and defenses of guarantors;
- \* Maximum civil penalties to which responsible parties are subject; and
- \* Civil penalty procedures.

Comments should be mailed or hand delivered to the Department of the Interior; Minerals Management Service, Mail Stop 4700; 381 Elden Street; Herndon, Virginia 22070-4817; Attention: Chief, Engineering and Standards Branch. To receive full consideration, all comments should be received or postmarked by October 24, 1993, 60 days after publication in the Federal Register.

Fry said MMS may hold public meetings for those who may be affected by this notice. "If we decide to proceed with meetings," Fry said, "we'll make an announcement as soon as arrangements have been completed."

-MMS-

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