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MMS REPORTS STATUS OF STREAMLINING REGULATIONS

The Interior Department's Minerals Management Service (MMS) today published a Federal Register notice that provides the status of MMS's 1994 review of regulations.

The review was done as part of the bureau's reinvention effort to examine rules and regulations to ensure they are effective, impose the least possible burden upon the public, and are tailored no broader than necessary to meet the objectives of the programs being implemented.

"Last March, MMS asked its customers--the energy industry, the states, the environmental community, and other interested parties--to tell us how we could improve our services," said MMS Director Cynthia Quarterman. "In reviewing those comments and revising regulations, we've encouraged maximum participation by the people who are subject to them. We believe our customers should be partners in decisions which could affect them. By implementing a multi-constituent team approach, we know we can accomplish much in resolving offshore and royalty issues," she added.

Quarterman noted that MMS received 40 comments to the March 1994 notice. Comments pertaining to the offshore program addressed suspension of production; directional surveys; penalties and assessments; underwater inspections; platform design; subsea well testing; and structure abandonments and site clearance.

Comments pertaining to the royalty program addressed takes vs. entitlements; payor responsibility; credit adjustments/administrative offsets; audits; streamlining the appeals process; reporting; and expediting the regulatory process.

As examples of specific improvements made by MMS, Quarterman cited:

- Formation of Federal and Indian Gas Valuation committees engaged in negotiated rulemaking efforts to reflect the marketplace, and to simplify royalty valuation, reporting, and payment;

- Use of electronic data interchange for the minerals industry, other federal agencies, and some state agencies to exchange royalty data with MMS;
- Use of alternative dispute resolution to streamline the appeals process;
- Formation of study groups to evaluate deepwater operational requirements and safety pollution prevention equipment; and
- Use of negotiated rulemaking to evaluate safety and pollution prevention equipment.

"Publication of today's notice reflects MMS's commitment to keep our customers informed, to continue to involve interested parties in the decisionmaking process, and to empower more and regulate less," said Quarterman.

The notice invites further comments, due to MMS by April 27, 1995. Comments should be sent to the Department of the Interior, Minerals Management Service, Mail Stop 4013, 1849 C Street NW, Washington DC 20240, Attn: Hugh Hilliard, Deputy Associate Director, Policy and Management Improvement.

MMS is the federal agency that manages the nation's natural gas, oil and other mineral resources on the Outer Continental Shelf, and collects and disburses revenues from offshore federal mineral leases and from onshore mineral leases on federal and Indian lands.

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