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MMS Reports Annual Civil Penalties Collections

WASHINGTON - The Minerals Management Service has issued a Federal Register Notice announcing the civil penalties that were assessed for calendar year 2007 for violations of the provisions of the Outer Continental Shelf Lands Act. A total of \$3,106,000 was charged to companies for 36 violations. A summary of the penalties – including identity of the party, the regulation violated and the amount paid can be found in the notice itself.

“The civil penalty process is designed to encourage companies to comply with the statutes and regulations by pursuing, assessing, and collecting penalties,” said MMS Director, Randall Luthi. “Publishing the penalties summary provides information to the public on violations of special concern in Outer Continental Shelf operations and provides an additional incentive for safe and environmentally responsible operations.”

Penalties were characterized by improper valve settings, safety measures not being implemented, lack of adequate training and poor testing procedures as well as other infractions. None of the actions that were penalized resulted in any significant oil spill or incident.

The provisions of the Oil Pollution Act authorize the Secretary of the Interior to impose penalties for violation of the regulations and allows the adjustment of the maximum civil penalties to reflect any increases in the Consumer Price Index. Every three years, MMS analyzes civil penalty maximum amounts. In February 2007, the per incident amount was set at \$35,000.

Between August 1990 and January 2008, MMS initiated 623 civil penalty reviews that resulted in 498 civil penalties. Operators have paid a total of \$18,591,792 in fines.

-- MMS --

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