Many people want to know what policy changes have been made since the Deepwater Horizon oil spill, and what else could be done to prevent another spill. On December 8, 2011, the event “Promoting Safety, Protecting the Environment and Conserving Offshore Resources Through Vigorous Regulatory Oversight and Enforcement” addressed some of these issues.

At this event, Michael R. Bromwich, Counselor to the Secretary and previously the Director of the Bureau of Safety and Environmental Enforcement at the U.S. Department of the Interior, spoke about his experience managing a regulatory agency in a crisis environment and under intense political and media scrutiny. The seminar was moderated by Prof. Joseph Aldy, chair of the Regulatory Policy Program.

President Obama and Secretary of the Interior Salazar brought Bromwich in to lead a reorganization of the Department’s regulatory oversight of drilling activities in the Outer Continental Shelf in June 2010, as the Deepwater Horizon spill was continuing. He spoke of the challenge of undertaking significant organizational reforms while advancing new regulatory measures to reduce the risk of another catastrophic spill.

The department reorganization included: separating the revenue collection functions from the rest of the agency, establishing an internal review organization, implementing rules to prevent conflicts of interest, creating a Chief Environmental Officer, and starting an internal training program for inspectors.

Bromwich also discussed the decision to re-impose the drilling moratorium in June 2010, after the initial moratorium had been overturned by a Federal court. Bromwich discussed the outreach through public forums to solicit input on measures to make drilling more safe, and on ways to contain and respond to any future spills, in the time before the moratorium was lifted.

Bromwich discussed how the Department of Interior implemented new rules to govern drilling equipment and techniques and instituted performance-based standards during his time there. The more stringent drilling standards have slowed the process of reviewing and approving permits, reflecting the more rigorous reviews by Department staff.

This event also covered future opportunities and challenges for reform. Bromwich said that the fines for oil drilling companies after these disasters – $40,000 per day – are not nearly large enough. He also spoke of the importance of increasing resources dedicated to drilling regulation and enforcement activities in the future.

The seminar was part of a series offered by the Regulatory Policy Program (RPP) at the Mossavar-Rahmani Center for Business and Government. RPP serves as a catalyst and clearinghouse for the study of regulation across Harvard University. The program's objectives are to cross-pollinate research, spark new lines of inquiry, and increase the connection between theory and practice. For information, go to: http://www.hks.harvard.edu/m-rcbg/rpp/index.html