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February 16, 2017

Bureau of Safety and Environmental Enforcement  
Regulations and Standards Branch  
45600 Woodland Road  
Sterling, VA 20166

**Re: *Adjustment of Service Fees Relating to the Regulation of Oil, Gas, and Sulfur Activities on the Outer Continental Shelf, AA31***  
**Docket ID: BSEE-2016-0003**  
**RIN 1014-AA31**

To Whom It May Concern:

The Offshore Operators Committee (OOC), the American Petroleum Institute (API), and the National Ocean Industries Association (NOIA), hereinafter referred to as the Joint Trades, respectfully submit the following comments on the subject docket number. Comments submitted on behalf of the Joint Trades are submitted without prejudice to any member's right to have or express different or opposing views. It is from this perspective that these comments have been developed.

### **The Joint Trades**

API is a national trade association representing more than 625 member companies involved in all aspects of the oil and natural gas industry. API's members include producers, refiners, suppliers, pipeline operators, marine transporters, and service and supply companies that support all segments of the industry. API and its members are dedicated to meeting environmental requirements, while economically and safely developing and supplying energy resources for consumers. API is a longstanding supporter of offshore exploration and development and the process laid out in the Outer Continental Shelf Lands Act ("OCSLA") as a means of balancing and rationalizing responsible oil and gas activities and the associated energy security and economic benefits with the protection of the environment.

NOIA is the only national trade association representing all segments of the offshore industry with an interest in the exploration and production of both traditional and renewable energy resources on the U.S. OCS. The NOIA membership comprises more than 325 companies engaged in a variety of business activities, including production, drilling, engineering, marine and air transport, offshore construction, equipment manufacture and supply, telecommunications, finance and insurance, and renewable energy.

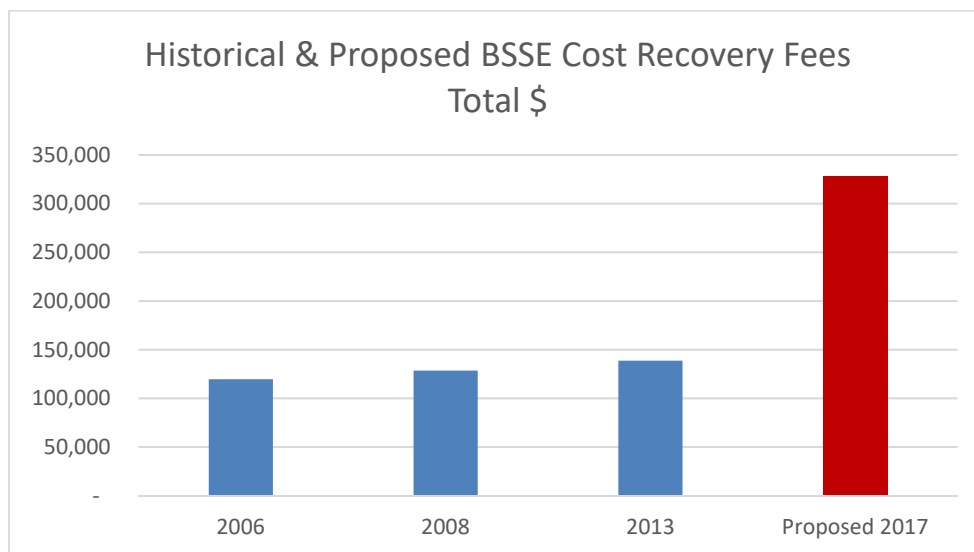
OOC is an organization of 47 producing companies and 61 service providers to the industry who conduct essentially all Outer Continental Shelf (OCS) oil and gas exploration and production activities in the Gulf of Mexico (GOM). Founded in 1948, the OOC is a technical advocate for the oil and gas industry regarding the regulation of offshore exploration, development and producing operation in the Gulf of Mexico.

## Comments

### **1. Magnitude of the Proposed Fee Increase**

The Joint Trades and our member companies are concerned about the proposed fee adjustments outlined in the proposed rule. The magnitude of the increase is extreme and comes at a time when offshore operators are challenged due to the global downturn in the energy industry. As BSEE may be aware, one primary indicator of growth and activity in the GOM is rig count. In August 2014, the GOM rig count was 56; in August 2016 the GOM rig count had decreased to 16<sup>1</sup>. This significant decrease in activity translates to a loss of real jobs for the people of the Gulf Coast and a significant detrimental impact to local economies. Now is not the time to increase fees and further exacerbate a bad situation.

In total, summing the fees proposed in the rule, fees increase from \$138,535 to \$328,721 – a **138% increase** (see chart below). In addition, the \$190,186 increase is larger than the total sum of existing fees.



Furthermore, when the fee schedule is applied to an estimated number of plans, as shown in the Non-Hour Cost Burden Table in the proposed rule<sup>2</sup>, estimated fee payments increase from \$5,955,791 under the current fee schedule to \$15,987,787 under the proposed schedule – an **increase of 168%**.

We question how such a significant one-time increase in fees is justified since the requirements of many of the regulatory filings associated with these fees have not significantly changed. In comparison, other Department of the Interior (DOI) agencies that regulate oil and gas activities, such as the Bureau of Land Management (BLM) and the Bureau of Ocean Energy Management (BOEM), have not proposed similar fee increases. We question why such a large increased cost burden is being proposed on the offshore industry. **In short, we do not support any proposed**

<sup>1</sup> *The Louisiana Economic Outlook: 2017 and 2018*, Scott, Loren C. and Collins, Judy S., Division of Economic Development, EJ Ourso College of Business, Louisiana State University, September 2016, pp. 14.

<sup>2</sup> *Federal Register*, Vol. 81, No. 222, pp. 81044.

**increases to fees as described in the proposed rule, and strongly recommend BSEE withdraw and reconsider this proposal.**

## ***2. Increased Service Fees Not Included in Prior Regulatory Justifications***

As noted in the proposed rule, complexity of reviews can be attributed to industry developing projects in “deeper, more complex and more hostile environments.”<sup>3</sup> However, that is not the only reason for increasing complexity of regulatory submittals. Since 2005, additional plan requirements, requests for information, and new regulations have been imposed by BSEE. As new requirements are proposed, Rulemaking and Information Collection Burden estimates do not account for increased service fees. Potential increases in service fees should be accounted for when new requirements are proposed, and not as periodic, lumpsum service fee increases such as the proposed rule in question. For example, if new requirements of the Well Control Rule created the need for more robust technical review of Applications to Drill (APD), thereby causing a need to increase APD fees, then APD fee increases should have been evaluated and proposed at the time the Well Control Rule was being developed. Otherwise, the “true” cost of a new regulation is not accurately proposed to industry and the public. Proposing increased fees as a separate rulemaking, disconnected from the regulation that is the underlying cause, does not promote transparency to the public and does not allow the agency to accurately assess the impact of a rule on its internal resources.

## ***3. Impact on Typical Offshore Projects - Examples***

In order to detail the impacts of the proposed fee adjustments we are providing two examples of typical offshore projects – one Shelf and one Deepwater – that illustrate the magnitude of fees typically paid for a project. Detailed calculations for these examples are shown in Appendix 1. In both examples provided, only fees paid to BSEE were included in calculating the increase in total fees; BOEM fees were excluded. However, additional BOEM fees are noted in the examples in Appendix 1 to provide an indication of total project regulatory cost.

*Shelf Example* - As shown in Appendix 1, we have developed a hypothetical Shelf exploration and development project. In this example, we examined a fixed platform facility with greater than 125 components, 2 export Right-of-Way (ROW) pipelines and 10 wells – a common Shelf development scenario. This type of facility would require 25 regulatory filings with BSEE. Under the current BSEE fee structure the operator would expect to pay \$448,812 in regulatory fees. Under the proposed fee adjustments, total project costs increase to \$905,956 – **a 102% increase**.

*Deepwater Example* - In the Deepwater example in Appendix 1, we examined a project that drilled 12 wells, installed a floating production facility with greater than 125 components, required a complex Deepwater Operations Plan, and installed 6 ROW pipelines and 7 lease term pipelines. Under the current fee structure the operator would expect to pay \$1,650,099 in BSEE fees. With the proposed fee adjustments, this cost rises to \$1,999,507 – **a 21% increase**.

As shown in both examples, the proposed fee adjustments significantly increase the cost to an individual project. Such significant increases will only serve as a detriment to future offshore development in the GOM. As stated earlier, we strongly object to the magnitude of the proposed fee adjustments and recommend that BSEE withdraw and reconsider this proposal.

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<sup>3</sup> *Federal Register*, Vol. 81, No. 222, pp. 81034.

In addition to the BSEE proposed fees, we have also included BOEM fees in Appendix 1 for completeness. The BOEM fees associated with projects were excluded from our analysis, and are included for information only.

#### ***4. Longer Periods for Processing Applications & Creating Efficiency***

In addition to the significant and sudden increases in the proposed fees, many operators have already experienced extended review and processing times for various types of applications and regulatory filings. For example, commingling approvals that historically were reviewed in 45 days now take 3-6 months. A new lease term pipeline application historically requiring a 1-2 month review and approval time, has recently increased to 3-6 months, and in one case, 18 months for approval. Similarly, ROW grant application processing times have increased from 3-6 months to 4-8 months. Ironically, lease term and ROW fees were two categories where the proposed fee structure decreased, further raising the question of how the proposed fee adjustments were determined. From an external view there appears to be little connection between a fee increase/decrease, complexity of review, and typical review/approval timeframes.

An example of where proposed fee increases and additional review/approval time does appear to coincide is the Application to Drill (APD). Review and approval times for APD have historically taken 1-3 weeks, but within the last 2 years the time has increased to 2-6 weeks, and in one case over 6 months. The proposed fee for an APD is \$10,420 compared to the current fee of \$2,113. Although, we believe this fee increase to be excessive (a 393% increase), there appears to be some justification for an increase because each APD would be expected to require an increased level of review effort due to additional BOP requirements. But, as discussed in Section 2 above, impacts to agency resources, including increases in service fees, should be analyzed at the time new rules are proposed, not after.

We strongly recommend that all the proposed fee adjustments include some justification linked to enhancing agency performance, such as increasing technical skills, or a related regulatory change that increase complexity of the application, thereby, increasing the review and approval period. In addition, before fee increases are proposed, the agency should seek to implement improvements to its internal processes to enhance efficiency, reduce costs and shorten review periods. Just as the industry has had to adjust to a less favorable economic environment and find ways to become more cost efficient, the agency should strive to do the same before fee increases are considered.

Appendix 2 shows a listing of the proposed fee adjustments compared to historical fees, the percent change of each proposed fee, and comments that detail a request for further justification. **Where noted in the table in Appendix 2, we request that BSEE provide specific justification for each line-item fee increase in the response to comments.**

#### ***5. Shipyard Inspection Fees Compared to Offshore Inspection Fees***

The proposed adjustments contain revised fees for both offshore facility inspections, as well as shipyard facility inspections. These fees are listed under 6 service categories for New Facility Production Safety System Applications, and Modification to Production Safety System Applications. In 3 service categories: New Facility with more than 125 components, New Facility with 25-125 components, and Modification with 25-125 components, the shipyard inspection fees are higher than the offshore inspection fees. The remaining 3 service categories: New Facility with fewer than 25 components, Modification with more than 125 components, and Modification

with fewer than 25 components, the proposed offshore inspection fees are higher than shipyard inspection fees.

The Joint Trades are seeking clarity regarding the reasoning behind this fee schedule. In general, it is logical that offshore inspection fees should be higher than shipyard inspections fees due to remoteness of location at which the inspections are conducted and the logistical costs of sending inspectors offshore. We do find it difficult to understand how shipyard inspection fees could be higher than offshore inspection fees. Shipyard inspections are land-based and typically do not involve complicated logistical planning, nor are subject to weather delays.

In addition, the proposed fee adjustments in these categories do not appear to follow a logical pattern. For example, a shipyard inspection fee for a New Facility with more than 125 components is higher than an offshore inspection fee for the same type of facility. Based upon that New Facility category, a shipyard inspection fee for a Modified Facility with more than 125 components should also be higher than the offshore inspection fee. However, the proposed fee adjustments indicate the opposite – shipyard inspection fees for Modified Facility with more than 125 components are less than offshore inspection fees.

If the proposed fee adjustments are enacted, we request that the inspection fees for both shipyard and offshore inspections be reviewed and revised to ensure consistency based on inspection location and the number of facility components subject to inspection. Under the proposed fee schedule, we are seeking clarity on how the inspection fee would be applied to temporary equipment installations as inspections have occurred in the past prior to use of temporary equipment.

## **6. *Payment Mechanism Limitations***

In general, the Joint Trades support the existing mechanisms of credit card or ACH-Debit for payment of application and submittal fees. However, the existing NTL 2015-N02 Limitations on Credit Card Collection Transactions and Policy for Splitting Transactions of \$24,999.99 per credit card transaction in one day (aggregated) adds unnecessary complexity to 3 submittals under the proposed fee adjustments: Complex Deepwater Operations Plans, Platform Installation Applications under the Platform Verification Program, and Voluntary Unitization Proposal or Unit Expansion. Because the proposed fees for these three categories exceed the current \$24,999.99 per transaction limitation for credit card payment in one day, operators are left with only a single option for payment – ACH-Debit.

This limitation on these three service categories adds unnecessary and unjustified burden. By raising the fees to a value greater than the \$24,999.99 credit card limitation aggregated, BSEE creates three exceptions to the standard process, and thereby increases complexity in the payment process. This results in additional burden to operator accounting and payment processes. We recommend two options to eliminate this issue:

- 1) Reduce the proposed fees in each of these three service categories to below the \$24,999.99 limit so that credit card payment can continue to be an option for operators, or
- 2) Raise the \$24,999.99 limitation to coincide with the highest proposed fee so that all fees can continue to be paid via credit card. In this case that would mean raising the limitation to align with the fee for a Complex Deepwater Operations Plan, \$70,333.

## **7. Multiple Parts/Submittals for a Single DWOP**

It is unclear in the proposed rule how fees for Deepwater Operations Plan (DWOP) will be administered. It is not unusual for a DWOP to be submitted in multiple parts for a single project, particularly for complex projects. Dividing a complex DWOP into multiple parts facilitates a more efficient review by BSEE allowing smaller, more manageable packages of information to be submitted for review instead of a single, massive application.

Under the proposed fee schedule, we are seeking clarity on how the complex DWOP fee will be applied in such situations. We recommend the fee for a Complex DWOP be applied once per project, and not each time a portion of the DWOP is submitted for review. Also, we request this be specifically clarified in BSEE's response to comments and incorporated into the rule text.

## **8. Recommendations for Additional Service Categories**

The Joint Trades are also recommending that BSEE consider additional service categories for proposed fees, as follows:

- *Applications for Permit to Drill (APD) & Application for Permit to Modify (APM)* – we recommend these two service categories be split into Shelf APD, Shelf APM, Deepwater APD and Deepwater APM. Shelf operations are generally less complex than Deepwater operations. Therefore, it stands to reason that APD and APM for Shelf operations would require less time and technical knowledge for review and approval. Thus, a lower fee for Shelf APD and APM would be justified, and is hereby requested.
- *Suspension of Operations (SOO)* – we recommend that SOO be listed as a separate category from SOP. The proposed fee schedule lists SOO and SOP together under a single fee. SOO are typically approved for short durations and normally are simple, one-page request letters. We recommend any proposed fees for SOO be less than the fee for SOP.
- *Suspension of Production (SOP)* – we recommend that two fees be established under this category – Initial and Supplemental. Initial SOP contains more information and would require more in-depth review by BSEE than Supplemental SOP, which may be, in many cases, a simple one page letter. Therefore, we request that a Supplemental SOP fee be established that is lower than the fee for an Initial SOP.

## **9. BSEE Request for Comments on Potential Future Fees**

In the proposed fee adjustment notice, BSEE specifically requests comments on additional fees for Revised Applications to Drill (R-APD) and Revised Applications for Permits to Modify (R-APM). BSEE specifically requests whether separate fee levels for R-APD and R-APM should be proposed in future rulemaking. We do not believe any future fee increases are appropriate.

If BSEE decides to pursue separate fees for R-APD and R-APM, then fees for APD and APM should be reduced.

## **Conclusion**

API, OOC and NOIA appreciate the opportunity to provide these constructive comments, and are willing to have additional discussions regarding the proposed fee adjustments. However, we strongly suggest this proposed rule be withdrawn and reconsidered in its entirety. The magnitude

of the proposed fee adjustments will have a detrimental impact upon an already struggling industry that is vital to our nation's energy security.

If you have any questions, or would like to schedule further discussions, please contact Greg Southworth at [greg@offshoreoperators.com](mailto:greg@offshoreoperators.com).

Sincerely,



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Randall Luthi  
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National Ocean Industries Association



Holly Hopkins  
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cc: M. Schneider, Acting Director, Bureau of Safety and Environmental Enforcement  
L. Herbst, Gulf of Mexico Region Director, Bureau of Safety and Environmental Enforcement

## Appendix 1

### **Examples of Impact of Proposed Fee Adjustments Typical Shelf Facility & Typical Deepwater Facility**



**Shelf Exploratory/Development Project (Fixed Platform, Facility with Greater than 125 Components, 2 Export ROW Pipelines, and 10 Wells)**

Regulatory Filing	Cost Recovery Fees		Comments
	Current	Proposed	
<b>Lease</b>			
Request for Suspension of Production	\$2,123	\$3,055	Maintain lease from completion of exploratory operations through commencement of leaseholding operations
Request for Proposed Unitization	\$12,619	\$27,288	Unitize for reservoir extending into adjacent block and co-develop
<b>Sub-Total</b>	<b>\$14,742</b>	<b>\$30,343</b>	
<b>Structure/Facility</b>			
Structure Application	\$3,256	\$1,914	Install 8-pile/4-deck/20-slot structure
Surface Safety System Application - Proposed	\$5,426	\$3,976	Install processing and testing facilities
Pre-Production Inspection - Offshore	\$14,280	\$13,534	Pre-Production Inspection
Surface Commingling & Measurement	\$4,056	\$8,205	Surface commingling and measurement for 2 leases
<b>Sub-Total</b>	<b>\$27,018</b>	<b>\$27,629</b>	
<b>Pipelines</b>			
Right of Way Pipeline Application	\$2,771	\$1,662	Install oil export pipeline
Right of Way Pipeline Application	\$2,771	\$1,662	Install gas export pipeline
<b>Sub-Total</b>	<b>\$5,542</b>	<b>\$3,324</b>	
<b>Wells</b>			
Application for Permit to Drill	\$2,113	\$10,420	
Application for Permit to Sidetrack Drill	\$2,113	\$10,420	S01
Application for Permit to Sidetrack Drill	\$2,113	\$10,420	S02
Application for Permit to Drill - Bypass	\$2,113	TBD	Mechanical bypass around fish
Application for Permit to Modify	\$125	\$1,680	Final Surface Location

**Shelf Exploratory/Development Project (Fixed Platform, Facility with Greater than 125 Components, 2 Export ROW Pipelines, and 10 Wells)**

Regulatory Filing	Cost Recovery Fees		Comments
	Current	Proposed	
Application for Permit to Modify	\$125	\$1,680	TA
Application for Permit to Modify	\$125	\$1,680	Complete
Application for Permit to Modify - Revised	TBD	TBD	Revised Completion
Request for Downhole Commingling	\$5,779	\$14,064	
Request to Produce Gas Cap	\$4,953	\$11,962	
Request for Lease Line Waiver Application	\$3,892	\$5,440	
Rig Inspections (Monthly)	\$16,700	\$16,700	
<b>Sub-Total/ Per Well</b>	<b>\$40,151</b>	<b>\$84,466</b>	
<b>Sub-Total/ 10 Wells</b>	<b>\$401,510</b>	<b>\$844,660</b>	
<b>GRAND TOTAL</b>	<b>\$448,812</b>	<b>\$905,956</b>	

**Additional BOEM Fees:**

Regulatory Filing	Fee
Initial Exploration Plan	Three well locations @ \$3673 each = \$11,019
Initial Development Operations Plan	Ten well locations @ \$4238 per well = \$42,380
<b>Total</b>	<b>\$53,399</b>

<b>Deepwater Exploratory/Development Project (Floating Platform, Facility with Greater than 125 Components, 6 ROW Pipelines, 7 Lease Term Pipelines, and 12 Wells)</b>					
		<b>Fees per Submittal</b>		<b>Total Fees</b>	
<b>Regulatory Filing</b>	<b>Number</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>
<b>Lease</b>					
Request for Suspension of Production	2	\$2,123	\$3,055	\$4,246	\$6,110
Request for Proposed Unitization	1	\$12,619	\$27,288	\$12,619	\$27,288
<b>Sub-Total</b>				<b>\$16,865</b>	<b>\$33,398</b>
<b>Structure/Facility</b>					
CID	1	\$27,348	\$27,348	\$27,348	\$27,348
Platform	1	\$22,734	\$28,311	\$22,734	\$28,311
New Facility + Shipyard Inspection	1	\$12,852	\$18,543	\$12,852	\$18,543
DWOP	1	\$3,599	\$70,333	\$3,599	\$70,333
Surface Commingling & Measurement	1	\$4,056	\$8,205	\$4,056	\$8,205
<b>Sub-Total</b>				<b>\$70,589</b>	<b>\$152,740</b>
<b>Pipelines</b>					
Right of Use and Easement (RUE)	1	\$2,742	\$2,742	\$2,742	\$2,742
Right of Way (ROW) Pipeline Application	6	\$2,771	\$3,796	\$16,626	\$22,776
Lease Term Pipeline Application	7	\$3,541	\$3,663	\$24,787	\$25,641
<b>Sub-Total</b>				<b>\$44,155</b>	<b>\$51,159</b>
<b>Wells</b>					
Application for Permit to Drill	12	\$2,113	\$10,420	\$25,356	\$125,040
Application for Permit to Sidetrack Drill	4	\$2,113	\$10,420	\$8,452	\$41,680
Application for Permit to Modify	43	\$125	\$1,680	\$5,375	\$72,240
Application to Bypass	4	\$2,113	\$10,420	\$8,452	\$41,680

<b>Deepwater Exploratory/Development Project (Floating Platform, Facility with Greater than 125 Components, 6 ROW Pipelines, 7 Lease Term Pipelines, and 12 Wells)</b>					
		<b>Fees per Submittal</b>		<b>Total Fees</b>	
<b>Regulatory Filing</b>	<b>Number</b>	<b>Current</b>	<b>Proposed</b>	<b>Current</b>	<b>Proposed</b>
Flowback Measurement (Well Test)	5	\$1,371	\$3,514	\$6,855	\$17,570
Rig Inspections (Monthly)	48	\$30,500	\$30,500	\$1,464,000	\$1,464,000
<b>Sub-Total</b>				<b>\$1,518,490</b>	<b>\$1,762,210</b>
<b>GRAND TOTAL</b>				<b>\$1,650,099</b>	<b>\$1,999,507</b>

**Additional BOEM Fees:**

<b>Regulatory Filing</b>	<b>Count</b>	<b>Cost</b>	<b>Total</b>
Initial Exploration Plan	2	\$10,326	\$20,652
Supplemental Exploration Plan	3	\$29,384	\$88,152
DOCD	1	\$25,428	\$25,428
Lease Expenses – Bonus	1	\$9,714,799	\$9,714,799
Lease Rental	5	\$43,200	\$216,000
ROW Rental (5 yrs)	3	\$150	\$450
	2	\$225	\$450
	1	\$525	\$525
RUE Rental	1	\$1,897.50	\$1,897.50
<b>Total</b>			<b>\$10,068,353.50</b>

## **Appendix 2**

### **Detailed Comments on Proposed Fee Adjustments**

Service Category	Existing			Proposed			% Change	Joint Trades Comments
	Fee (\$)	# Plans	Total (\$)	Fee (\$)	# Plans	Total (\$)		
Suspension of Operations/Suspension of Production (SOO/SOP) Request	2,123	646	1,371,458	3,055	646	1,973,530	44%	<ul style="list-style-type: none"> <li>No change in regulatory requirements, request justification for the increase.</li> <li>Recommend SOO and SOP be separated into two separate fees; SOO being a lower fee than SOP.</li> <li>Recommend SOP be divided into fees for Initial SOP and Supplemental SOP.</li> <li>Request BSEE provide a breakdown of how the estimated 646 plans was developed.</li> </ul>
Deepwater Operations Plan	3,599	11	39,589			-	863%	11 DWOPs is likely a low estimate to cover all operations in the GOM. Request BSEE provide a breakdown of how the estimate was developed.
Deepwater Operations Plan – Simple				14,290	7	100,030		If a complex DWOP is submitted in parts, how will this fee be applied? Please provide clarification.
Deepwater Operations Plan - Complex (New Technology)			-	70,333	4	281,332		Recommend this fee be assessed only once to cover the entire DWOP, and not assessed each time a portion of the DWOP is submitted.
APD	2,113	408	862,104	10,420	408	4,251,360	393%	<ul style="list-style-type: none"> <li>Recommend this category be split into Shelf APD and Deepwater APD with corresponding appropriate fees.</li> <li>Request justification for the significant increase.</li> <li>Does this category include Application for Sidetrack Drill? The fee schedule in the proposed rule does not include a category for Application for Sidetrack Drill. Recommend maintaining a separate category for Application to Sidetrack Drill.</li> </ul>
APM	125	2,893	361,625	1,680	2,893	4,860,240	1244%	<ul style="list-style-type: none"> <li>Recommend this category be split into Shelf APM and Deepwater APM with corresponding appropriate fees.</li> <li>No significant change in regulatory requirements, request justification for the significant increase.</li> </ul>
New Facility Production Safety System Application for Facility with More than 125 Components	5,426	1	5,426	3,976	1	3,976	-27%	The Joint Trades support a decrease in these fees.

Service Category	Existing			Proposed			% Change	Joint Trades Comments
	Fee (\$)	# Plans	Total (\$)	Fee (\$)	# Plans	Total (\$)		
Additional fee for pre-production inspection of a facility offshore	14,280	1	14,280	13,534	1	13,534	-5%	Request justification of why a facility offshore inspection fee is lower than a shipyard inspection fee.
Additional fee for pre-production inspection of a facility in a shipyard	7,426	1	7,426	14,567	1	14,567	96%	Request justification of why a facility offshore inspection fee is lower than a shipyard inspection fee.
New Facility Production Safety System Application for Facility with 25-125 Components	1,314	4	5,256	548	4	2,192	-58%	The Joint Trades support a decrease in these fees.
Additional fee for pre-production inspection of a facility offshore	8,967	1	8,967	8,508	1	8,508	-5%	Request justification of why a facility offshore inspection fee is lower than a shipyard inspection fee.
Additional fee for pre-production inspection of a facility in a shipyard	5,141	1	5,141	9,818	1	9,818	91%	Request justification of why a facility offshore inspection fee is lower than a shipyard inspection fee.
New Facility Production Safety System Application for Facility with Fewer than 25 Components	652	10	6,520	463	10	4,630	-29%	The Joint Trades support a decrease in these fees.
Additional fee for pre-production inspection of a facility offshore			-	4,338	1	4,338		
Additional fee for pre-production inspection of a facility in a shipyard			-	1,967	1	1,967		
Production Safety System Application— Modification with More than 125 Components Reviewed	605	174	105,270	1,278	174	222,372	111%	No change in regulatory requirements, request justification for the increase.
Additional fee for pre-production inspection of a facility offshore			-	9,313	1	9,313		
Additional fee for pre-production inspection of a facility in a shipyard			-	8,100	1	8,100		
Production Safety System Application— Modification with 25-125 Components Reviewed	217	615	133,455	439	615	269,985	102%	No change in regulatory requirements, request justification for the increase.
Additional fee for pre-production inspection of a facility offshore			-	6,765	1	6,765		Request justification of why a facility offshore inspection fee is lower than a shipyard inspection fee.
Additional fee for pre-production inspection of a facility in a shipyard			-	7,326	1	7,326		Request justification of why a facility offshore inspection fee is lower than a shipyard inspection fee.

Service Category	Existing			Proposed			% Change	Joint Trades Comments
	Fee (\$)	# Plans	Total (\$)	Fee (\$)	# Plans	Total (\$)		
Production Safety System Application— Modification with Fewer than 25 Components Reviewed	92	345	31,740	386	345	133,170	320%	No change in regulatory requirements, request justification for the increase.
Additional fee for pre-production inspection of a facility offshore			-	4,513	1	4,513		
Additional fee for pre-production inspection of a facility in a shipyard			-	2,141	1	2,141		
Platform Application—Installation— Under the Platform Verification Program	22,734	3	68,202	28,311	3	84,933	25%	No change in regulatory requirements, request justification for the increase.
Platform Application—Installation— Fixed Structure Under the Platform Approval Program	3,256	12	39,072	1,914	12	22,968	-41%	The Joint Trades support a decrease in these fees.
Platform Application—Installation— Caisson/Well Protector	1,657	20	33,140	1,914	20	38,280	16%	No change in regulatory requirements, request justification for the increase.
Platform Application— Modification/Repair	3,884	65	252,460	1,975	65	128,375	-49%	The Joint Trades support a decrease in these fees.
New Pipeline Application (Lease Term)	3,541	61	216,001			-		
New Pipeline Application (Lease Term)—Shallow Water (less than 1000 ft.)			-	1,584	2	3,168	2%	
New Pipeline Application (Lease Term)—Deepwater (greater than 1000 ft.)			-	3,663	59	216,117		
Pipeline Application—Modification (Lease Term)	2,056	102	209,712			-		
Pipeline Application—Modification (Lease Term)—Minor			-	651	99	64,449	-67%	The Joint Trades support a decrease in these fees.
Pipeline Application—Modification (Lease Term)—Major			-	1,696	3	5,088		
Pipeline Application—Modification (ROW)	4,169	190	792,110			-	-88%	The Joint Trades support a decrease in these fees. Support



Service Category	Existing			Proposed			% Change	Joint Trades Comments
	Fee (\$)	# Plans	Total (\$)	Fee (\$)	# Plans	Total (\$)		
Pipeline Application—Modification (ROW)—Minor			-	455	184	83,720		
Pipeline Application—Modification (ROW)—Major			-	1,800	6	10,800		
Pipeline Repair Notification	388	156	60,528	557	156	86,892	44%	No change in regulatory requirements, request justification for the increase.
Pipeline ROW Grant Application	2,771	62	171,802			-		
Pipeline ROW Grant Application—Shallow Water (less than 1000 ft.)			-	1,662	38	63,156	-10%	The Joint Trades support a decrease in these fees.
Pipeline ROW Grant Application—Deepwater (greater than 1000 ft.)			-	3,796	24	91,104		
Pipeline Conversion of Lease Term to ROW	236	15	3,540	494	15	7,410	109%	No change in regulatory requirements, request justification for the increase.
Pipeline ROW Assignment	201	275	55,275	397	275	109,175	98%	No change in regulatory requirements, request justification for the increase.
500 Feet From Lease/Unit Line Production Request	3,892	20	77,840	5,440	20	108,800	40%	No change in regulatory requirements, request justification for the increase.
Gas Cap Production Request	4,953	22	108,966	11,962	22	263,164	142%	No change in regulatory requirements, request justification for the increase.
Downhole Commingling Request	5,779	30	173,370	14,064	30	421,920	143%	No change in regulatory requirements, request justification for the increase.
Complex Surface Commingling and Measurement Application	4,056	67	271,752	8,205	67	549,735	102%	No change in regulatory requirements, request justification for the increase.
Simple Surface Commingling and Measurement Application	1,371	37	50,727	3,514	37	130,018	156%	No change in regulatory requirements, request justification for the increase.
Voluntary Unitization Proposal or Unit Expansion	12,619	8	100,952	27,288	8	218,304	116%	No change in regulatory requirements, request justification for the increase.
Unitization Revision	896	41	36,736			-		
Unitization Revision—Exhibit A, Exhibit B, and Successor Unit Operator/Sub-operator			-	1,683	36	60,588	109%	No change in regulatory requirements, request justification for the increase.

Service Category	Existing			Proposed			% Change	Joint Trades Comments
	Fee (\$)	# Plans	Total (\$)	Fee (\$)	# Plans	Total (\$)		
Unitization Revision—Exhibit C			-	3,255	5	16,275		
Application to Remove a Platform or Other Facility	4,684	240	1,124,160	2,846	240	683,040	-39%	The Joint Trades support a decrease in these fees.
Application to Decommission a Pipeline (Lease Term)	1,142	213	243,246	857	213	182,541	-25%	The Joint Trades support a decrease in these fees.
Application to Decommission a Pipeline (ROW)	2,170	147	318,990	980	147	144,060	-55%	The Joint Trades support a decrease in these fees.
<i>New Non-Hour Burden Cost</i>						44,463		
<i>Revised Non-Hour Cost</i>						15,943,324		
<b>TOTAL</b>			<b>5,955,791</b>			<b>15,987,787</b>	<b>168%</b>	