

Safety and Environmental Management Systems (SEMS)	Revision Number:	1
	Revision Date:	2/16/14

(API RP 75 Element 12) § 250.1920 Audit of Safety and Environmental Management Systems

This SEMS program must be audited by an accredited Audit Service Provider (ASP) **within 2 years of the initial implementation of the SEMS program and at least once every 3 years thereafter** according to the requirements of this subpart and API RP 75, Section 12. The audit process must also meet or exceed the criteria in Sections 9.1 through 9.8 of *Requirements for Third-party SEMS Auditing and Certification of Deepwater Operations, Center for Offshore Safety COS-2-03*, or its equivalent.

Additionally, the audit team lead must be an employee, representative, or agent of the ASP, and must not have any affiliation with the operator. The remaining team members may be chosen from company personnel and those of the ASP. The audit must be comprehensive and include all elements of this SEMS program. It must also identify safety and environmental performance deficiencies.

The audit must be a comprehensive audit of the operators SEMS program and evaluate compliance with the requirements of subpart S and API RP 75, and identify areas in which safety and environmental performance needs to be improved.

The following items must be specifically addressed within the audit plan:

General requirements:

- a. The activities and areas to be considered in audit
- b. The frequency of audit
- c. The audit team
- d. How audits will be conducted
- e. Audit Reporting

Sufficient resources must be committed by management to the audit in order to meet its intended scope. The scope of the Audit must include the following:

- a. Determine that the management program elements described within the operators program are in place.
- b. Determine that the management program elements described within the operators program are in place.
- c. Determine if the management program elements incorporate the required components.
- d. A testing system to evaluate the effectiveness of the management program. The system should include a review of records and documentation as discussed in Section 13, private interviews of various levels and disciplines of personnel, and facility inspections.
- e. Identify areas of potential improvement in the safety and environmental management program

Audit Coverage

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When selecting facilities to audit, consideration should be given to common features (e.g., field supervisors, regulatory districts, facility design, systems and equipment, office management, etc.) to obtain a cross-section of practices for the facilities operated.

The testing system of the audit need not be applied to each facility; rather, interviews and inspections should be conducted at fields that differ significantly (e.g., oil vs. dry gas). This should include a number of facilities sufficient to evaluate management's commitment to items a, b, and c in API RP 75 - Element 12.2.

During each audit, at least fifteen percent (15%) of the facilities operated, with a minimum of one facility, should be audited. The facilities included in the audit should not be the same as those included in the previous audit. When sufficient deficiencies are identified in the effectiveness of any safety and environmental management program elements, the test sample size shall be expanded for that program element.

Audit Plan

A written Audit Plan must be submitted to BSEE at least 30 days before any audit. BSEE reserves the right to modify the list of facilities that are proposed to audit.

Prior to an audit, a written audit plan should be developed. The audit plan should be designed to be flexible in order to permit changes in emphasis based on information gathered during the audit, and to permit effective use of resources.

The plan must include the following elements to the extent they are applicable to the specific audit:

- a. Audit objectives and scope
- b. Audit criteria
- c. Identification of the audit team
- d. Identification of the facilities to be audited
- e. Identification of the program elements to be audited
- f. Procedures to be used in the audit
- g. Confidentiality requirements
- h. Report contents and format, expected date of issue and distribution of the audit report.

It should be recognized that the audit material collected during the audit will only be a sample of the information available. This will lead to a level of uncertainty which should be taken into account when planning the audit.

Audit Frequency

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The first audit should be accomplished within 2 years of initial implementation of the management program. **The audit interval for the management program should not exceed 3 years.**

Audit Team

The SEMS audit must be performed by an ASP as described in § 250.1921. The ASPs qualifications must be included in the audit plan.

Audits may include personnel from within the company and/or other qualified external persons. The audit must be conducted with one or more persons knowledgeable in the process involved and other specialties deemed necessary. Care should be exercised when selecting the audit team to ensure impartiality.

Audit Report

The audit team must prepare a report. The topics to be addressed in the audit report should be those determined in the audit plan. It should contain the audit findings. The audit report should be dated and signed by the audit team.

Audit related information that must be in audit report includes, but is not limited to:

- a. Identification of the facilities audited,
- b. Identification of the program elements audited,
- c. Summary of objectives and scope of the audit,
- d. Criteria against which the audit was conducted,
- e. Period covered by the audit and the date(s) the audit was conducted,
- f. Identification of the audit team,
- g. Statement of the confidential nature of the contents
- h. Distribution list for the audit report
- i. Summary of the audit process, including any obstacles encountered,
- j. Audit findings and conclusions, such as whether the program element(s) is properly implemented and maintained.

The findings and conclusions of the audit should be provided to the management personnel responsible for the SEMS program. Management should establish a system to determine and document the appropriate response to the findings and to assure satisfactory resolution. The audit report should be retained at least until the completion of the next audit.

Management must submit an audit report of the findings and conclusions of the audit to BSEE within 60 days of the audit completion date. The report must outline the results of the audit, including deficiencies identified.

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Management must provide BSEE with a copy of the Corrective Action Plan (CAP) for addressing the deficiencies identified in the SEMS audit within 60 days of the audit completion date.

The CAP must include the name and job title of the personnel responsible for correcting the identified deficiencies. BSEE will notify an operator after receipt of the CAP, if the proposed schedule is not acceptable or if the CAP does not effectively address the audit findings.

§ 250.1921 Audit Service Provider (ASP) Qualifications

1. The ASP must meet or exceed the qualifications, competency, and training criteria contained in Section 3 and Sections 6 through 10 of *Qualification and Competence Requirements for Audit Teams and Auditors Performing Third-party SEMS Audits of Deepwater Operations, Center for Offshore Safety COS–2–01*, or its equivalent;
2. The ASP must be accredited by a BSEE-approved *Accreditation Body (AB)*; and
3. The ASP must perform an audit in accordance with 30 CFR 250.1920(a) (Element 12).

§ 250.1922 Accreditation Body (AB) Qualifications

In order for BSEE to approve an AB, the organization must satisfy the requirements of the International Organization for Standardization’s (ISO/IEC 17011) *Conformity assessment—General requirements for accreditation bodies accrediting conformity assessment bodies*, or its equivalent.

1. The AB must have an accreditation process that meets or exceeds the requirements contained in Section 6 of *Requirements for Accreditation of Audit Service Providers Performing SEMS Audits and Certification of Deepwater Operations, Center for Offshore Safety COS–2–04* or its equivalent, and other requirements specified in this subpart. Organizations requesting approval must submit documentation to BSEE describing the process for assessing an ASP for accreditation and approving, maintaining, and withdrawing the accreditation of an ASP.
2. An AB may be subject to BSEE audits and other requirements deemed necessary to verify compliance with the accreditation requirements.
3. An AB must have procedures in place to avoid conflicts of interest with the ASP and make such information available to BSEE upon request.

§ 250.1923 [Reserved]

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§ 250.1924 BSEE SEMS Evaluation for Effectiveness

BSEE or its authorized representative may evaluate or visit any OCS facility to determine whether this SEMS program is in place, addresses all required elements, and is effective in protecting the safety and health of workers, the environment, and preventing incidents. BSEE or its authorized representative may evaluate any and all parts of the SEMS program. These evaluations or visits may be random and may be based upon company performance or that of contractors.

For the evaluations, site supervisors must make the following available to BSEE upon request:

1. This SEMS program,
2. The audit team's qualifications,
3. The SEMS audits conducted of the facility;
4. Documents or information relevant to whether the company has addressed and corrected deficiencies of an audit; and
5. Other relevant documents or information.

During a site visit BSEE may verify that:

1. Personnel are following this SEMS program,
2. You can explain and demonstrate the procedures and policies included in this SEMS program; and,
3. You can produce evidence to support the implementation of the SEMS program.

§ 250.1925 BSEE SEMS Additional Audit Request

BSEE may direct our company to have an ASP audit of this SEMS program, if they identify safety or non-compliance concerns based on the results of inspections and evaluations, or as a result of an event. A BSEE directed audit is in addition to the regular audit required by § 250.1920. Alternatively, BSEE may conduct an audit internally.

If BSEE directs the company to have an ASP audit, the company is responsible for the costs associated with the audit, and the ASP must meet the requirements of § 250.1920 and 250.1921 of the regulation. All of the audit report requirements described within § 250.1920 of the rule apply to this additional review.

§ 250.1926 [Reserved]

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§ 250.1927 Shortcomings in SEMS Program

If BSEE determines that this SEMS program is not in compliance with the regulation they may initiate one or more of the following enforcement actions:

- a) Issue an Incident(s) of Noncompliance;
- b) Assess civil penalties; or
- c) Initiate probationary or disqualification procedures from serving as an OCS operator.