

## Media Release

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### Offshore safety lessons still to be learnt

NOPSA's regulatory scope is expanding as part of the Commonwealth Government's agenda to reform offshore petroleum regulation but, says CEO Jane Cutler, a safe Australian offshore petroleum industry requires more than policy change alone.

Speaking today at the APPEA 2011 Oil and Gas Conference, Ms Cutler emphasised that excellent safety performance demands conviction and leadership from the bootroom to the boardroom, adding that it is too easy to fall into the mentality of 'it can't happen again', 'it can't happen here', and 'it can't happen to us'.

"Implications for industry growth, government policy, local economies and community confidence are all tied inextricably to the health and safety performance of the offshore petroleum industry," she said.

"The impacts of major incidents such as Montara in Australia and Macondo in the US all carry risk issues such as liability, insurance and access to acreage, and while some are yet to fully unfold they may all have profound impacts on the industry's future."

Ms Cutler added that while there is general public acceptance that activities associated with the offshore petroleum industry carry inherent risks, there is also the reasonable expectation that these risks are effectively managed.

"Events surrounding the well integrity failures of Montara and Macondo have raised public expectations of industry and government accountability and intensified the level of scrutiny applied to the industry and its regulation," said Ms Cutler.

"There's a reason why 'well integrity' is now part of the modern media vernacular. Failure to ensure that effective safety-critical barriers were in place is at the heart of both incidents, but there's a wide range of root causes common to both Montara and Macondo that apply equally across industry. In both cases the causes span operational, organisational and government domains.

"There is much to be done to restore the confidence of industry partners, governments and the public in the offshore petroleum industry. Without that confidence and a solid reputation for responsibility the industry still has a future, but it would be an unnecessarily challenging and unpopular one," she said.

Further to Commonwealth Government legislative amendments, NOPSA has taken over responsibility for the regulation of well integrity. For more details on NOPSA's expanded remit and proposed regulatory changes, visit [nopsa.gov.au/regs.asp](http://nopsa.gov.au/regs.asp). More information about NOPSA can be found at [nopsa.gov.au](http://nopsa.gov.au).

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