Offshore petroleum safety case approvals

July 2018

The National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) is the regulator for health and safety, well integrity and environmental management for offshore petroleum activities in Commonwealth waters and in coastal waters where regulatory powers and functions have been conferred.
The offshore petroleum approval and regulatory process

The infographic below provides a broad overview of the approval and regulatory process for all offshore petroleum activities in Commonwealth waters.

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**Legend**

- NOPSEMA’s remit
- Outside of NOPSEMA’s remit

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1. **National Offshore Petroleum Titles Administrator (NOPTA)** + **Joint Authority (relevant federal and state government ministers)**

   Work together to grant and administer offshore petroleum titles, including through acreage release

   - NOPSEMA has no role in granting or administering petroleum titles. For more information contact the National Offshore Petroleum Titles Administrator (NOPTA) at nopta.gov.au

2. **Petroleum company is granted a petroleum title**

3. **Petroleum company seeks relevant approval(s)**

   - Safety case
   - Well operations management plan
   - Offshore project proposal
   - Environment plan

   For more information about the assessment process see nopsema.gov.au

4. **If approval(s) are gained operations may begin**

5. **NOPSEMA monitors compliance**

   - Inspection
   - Investigation
   - Enforcement

   Operations are subject to ongoing regulation by NOPSEMA
Safety arrangements for offshore petroleum operations

The prevention of major accident events and the health and safety of the offshore workforce is paramount.


A facility cannot be constructed, installed, operated, modified or decommissioned without a safety case in force for that stage in the life of the facility. The Safety Regulations set out the requirements for the contents of a safety case that must be prepared by the operator of the facility in consultation with the workforce and approved by NOPSEMA.

What is a safety case and what does it contain?

The safety case is the OHS foundation for offshore petroleum and greenhouse gas storage operations. It sets out in detail the operator’s commitments in relation to health and safety of people at or near the facility. The safety case is a document which:

- describes the facility and the responsibilities of its people
- identifies hazards and risks and describes how these risks will be controlled
- provides a detailed description of the safety management system for the facility, including emergency planning
- describes how the safety management system will be monitored, audited and reviewed to enable continuous improvement in safety performance.

Validation

A scope of validation must be prepared by an operator and agreed by NOPSEMA as the first step in the development of a safety case for a new facility, or for a significant change to an existing facility.

The validation process involves an assessment made by an independent competent party to provide assurance to NOPSEMA that the design, construction and installation of safety-critical systems incorporate measures that will protect the health and safety of people at or near the facility.

Safety cases must be prepared by the operator of the facility

The principle behind the safety case is that those who create the risk must manage it. The operator has the greatest in-depth knowledge of their petroleum operations. It is the operator’s role to assess their processes, procedures and systems to identify and evaluate risks, to implement appropriate controls and to ensure compliance with the safety management system set out in the safety case.

A key requirement of the safety case is to demonstrate that risks should be eliminated or reduced to a level that is as low as reasonably practicable (ALARP).

Safety case revision triggers

A safety case must be revised if:

- there is request by NOPSEMA
- the safety case has expired after five years
- there is a change in circumstances

Construction, installation, operation and decommissioning activities may all be covered by revisions to existing safety cases.

What is NOPSEMA’s role?

NOPSEMA’s dedicated assessment teams comprise highly trained and qualified technical experts, with extensive experience in the offshore petroleum industry both in Australia and overseas.

NOPSEMA assesses the safety case against the requirements of the Safety Regulations in its decision to approve or reject the safety case. Once a safety case is approved by NOPSEMA, the risk management measures committed to by the operator within the safety case must be complied with. Compliance with the safety case is then verified by NOPSEMA during inspections of facilities.
**Assessment process for the safety case**

The infographic below provides a broad overview of the safety plan assessment process. Each safety plan is assessed against the requirements of the Offshore Petroleum and Greenhouse Gas Storage (Safety) Regulations 2009. Assessment timeframes will vary subject to the complexity and scope of the safety case.

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**Requirements**

- **MET**
- **NOT MET**

**Operator**

- NOPSEMA continues assessment of the safety case
- NOPSEMA may request the operator to provide further information during the assessment
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- NOPSEMA continues assessment of the safety case
- NOPSEMA may request the operator to provide further information during the assessment
- NOPSEMA makes a final decision to accept the safety case and closes the assessment
- NOPSEMA makes a final decision to refuse to accept the safety case and closes the assessment

**Legends**

- **NOPSEMA**
- **Operator**
- **Consultation**

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**A facility owner or titleholder must give NOPSEMA written notice nominating the operator of their facility or proposed facility. NOPSEMA must then accept or reject the nomination.**

**The operator must ensure there is effective consultation with and participation by members of the workforce in the development or revision of a safety case.**

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**Safety case APPROVED**

- Operator MAY COMMENCE operating the facility in accordance with the law and approved safety case

**Safety case REJECTED**

- NOPSEMA undertakes inspection, investigation and enforcement activities to monitor and secure compliance with the law and accepted safety case
- Operator MAY NOT COMMENCE operating the facility
- For the facility to operate, the operator must prepare a new safety case and start the assessment process from the beginning
Workforce engagement

Workforce consultation and participation is mandatory during the development of a safety case. Engagement with the workforce ensures they are informed about the hazards and risks to which they may be exposed on the facility and, on the control measures and safety management systems they will apply to manage these risks. A high-level of workforce involvement ensures a positive safety culture is promoted and reduces the risk of a major accident event.

Health and Safety Representatives (HSRs)

HSRs play an important role in improving the safety of the offshore workforce by representing their fellow workers, understanding health and safety concerns and assisting the workforce to participate in decisions that affect them. NOPSEMA places considerable emphasis on workforce participation, no matter their employer, during its offshore inspections. Opening and close out meetings include HSR participation and NOPSEMA inspectors make every effort to hold separate meetings with HSRs.
Further information

NOPSEMA publishes guidance notes, guidelines and information papers at nopsema.gov.au

The Offshore Petroleum and Greenhouse Gas Storage Act 2006 and subsidiary regulations are available in full at comlaw.gov.au

Legislative requirements for offshore petroleum not administered by NOPSEMA can be obtained from:

- The Department of Industry, Innovation and Science at industry.gov.au
- State/Northern Territory department at directory.gov.au
- The National Offshore Petroleum Titles Administrator at nopta.gov.au

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