



OHS Improvement Notice

Offshore Petroleum and Greenhouse Gas Storage Act 2006

Notice Number: 0594

OHS IMPROVEMENT NOTICE

To: Quadrant Energy Australia Limited

In conducting an OHS inspection in relation to the Stag CPF facility, I, [REDACTED], a NOPSEMA inspector appointed under section 602 of the Act, am satisfied on reasonable grounds that the person named above as the responsible person is contravening, or has contravened and is likely to contravene again:

Clause 9(2)(c) of Schedule 3 to the Act at the Stag CPF facility

The reasons for my opinion are:

Detailed (internal) inspections of Ex Equipment have not been conducted on the facility since 2009. This is not aligned with the requirements of the engineering standard AS/NZS 60079.17 which the operator has referenced in its Performance Standard for control of ignition sources.

A random sample of Ex Equipment was opened and internally inspected during the NOPSEMA inspection and found that the vast majority of equipment had been significantly affected by corrosion due to environmental exposure and water ingress.

As such, this represents a failure to take all practicable steps to ensure equipment at the facility, which is a control against a major accident event, is safe.

As a result of this contravention I am satisfied that there is, or may be, the following risk to the health or safety of any person:

Internal corrosion of Ex Equipment in hazardous areas means that the equipment has the potential to be an ignition source which could result in fire and/or explosion in the event of a hydrocarbon release.

You are required to take action within **180** days of the date of this notice to prevent or reduce the risk.

The following action must be taken by the responsible person within the period specified above:

- A) Conduct detailed (internal) Ex Equipment inspections on all the Ex 'd' (flameproof) equipment on the Stag CPF facility; and
- B) Conduct remedial maintenance on the Ex 'd' (flameproof) equipment on the Stag CPF facility, as identified as being required during the detailed inspection to ensure that the Ex certification of the equipment is not compromised;
- or
- C) Implement such other controls as required to reduce risk to a level that is as low as reasonably practicable.

Signed: [REDACTED]

[REDACTED]
NOPSEMA inspector

Dated: **21/07/2015**

NOTES: (Please see back of notice)

When the required improvement has been completed, return this part of the notice to the following person at the address below:

Name: [REDACTED]

Position: OHS Inspector

Address: Send in electronic format via email to:
submissions@nopsema.gov.au

Telephone number: +61 8 6188 8700

Specify the action that has been taken to comply with this notice in the space below.

Improvement Notice No. **594** has been complied with by:

Signed: _____ Date: _____

NOTES:

1. Under clause 78 of Schedule 3 to the Act, a person who fails to ensure that this notice is complied with, to the extent that it relates to a matter over which the person has control, may be liable to a penalty of 300 penalty units or a civil penalty of 400 units.
2. This notice must be displayed in a prominent place at or near each workplace at which work affected by the notice is being performed and, must not be tampered with or removed before the notice has ceased to have effect.
3. If the notice is not issued by being given to the operator's representative at the facility, the responsible person (unless the responsible person is the titleholder) must cause a copy of the notice to be given to the operator's representative.
4. If the responsible person is the operator or an employer (other than the operator) of members of the workforce, the operator's representative at the facility must give a copy of the notice to each health and safety representative for a designated work group having group members performing work that is affected by the notice.
5. If the responsible person is the titleholder, as soon as practicable after issuing the notice, the NOPSEMA inspector will take reasonable steps to give a copy of the notice to the operator and, if the NOPSEMA inspector is at the facility when the notice issued, the operator's representative at the facility.
6. If the responsible person is the titleholder, but the inspector is not at the facility when the notice is issued, the operator must give a copy of the notice to the operator's representative at the facility.
7. As soon as practicable after issuing the notice, the NOPSEMA inspector will take reasonable steps to give a copy of the notice to, where applicable:
 - (a) the employer of an employee who is a member of the workforce if the notice is issued to the employee, and in connection with work performed by the employee, and
 - (b) the owner of any workplace plant, substance or thing that the notice relates to, unless the owner is the responsible person or an employer referred to in (a), and
 - (c) if the responsible person is the owner of any workplace, plant, substance or thing because of which the contravention has occurred, or is likely to occur: the operator of the facility, and if the employer of employees who work in that workplace or who use that plant, substance or thing is a person other than the operator—that employer; and
 - (d) the titleholder, if the responsible person is the operator, and the contravention relates, or is likely to relate to, the titleholders' well related obligations.
8. Under item 8 of subclause 80A(1) of Schedule 3 to the Act, any of the following persons may in writing request the reviewing authority to review the NOPSEMA inspector's decision:
 - the operator of the facility
 - the titleholder, if the notice is issued to a titleholder;
 - any other person to whom the notice has been issued;
 - an employer, if affected by the decision;
 - a relevant health and safety representative;
 - a relevant workforce representative, if requested by a member of the workforce affected by the decision;
 - a person who owns any workplace plant, substance or thing to which the NOPSEMA inspector's decision relates.
9. An improvement notice ceases to have effect when the responsible person takes the action specified in the notice.