

# OHS Improvement Notice

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*Offshore Petroleum and Greenhouse Gas Storage Act 2006*

**Notice Number: 692**

## **OHS IMPROVEMENT NOTICE**

To: Esso Australia Pty Ltd

In conducting an OHS inspection in relation to the Bream A 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 has contravened and is likely to contravene again clause 9(2)(d) of Schedule 3 to the Act at the Bream A facility.

The reasons for my opinion are:

A dangerous occurrence was caused at the Bream A facility on 7 November 2017 when a member of the workforce incorrectly identified and then cut a live process pipe with a reciprocating battery operated saw. This occurred during the planned removal of redundant process pipe spools in the well bay area of the facility. Based on the evidence provided by the operator and information provided by other members of the workforce, I have concluded that there were multiple failures in the safe management of the work being conducted at the time.

These failures included:

- Inadequate planning of the work to be undertaken;
- Inadequate management oversight of the work to be undertaken;
- Inadequate supervision of the work group;
- Inadequate communication between Esso Australia Pty Ltd and UGL in relation to roles and responsibilities for the work to be undertaken;
- Inadequate implementation of the Permit to Work system; and
- Inadequate fulfilment of the roles and responsibilities to be undertaken by the Permit Holder as a functional part of the Permit to Work system.

Esso Australia Pty Ltd has not taken all reasonably practicable steps "to implement and maintain systems of work at the facility that are safe and without risk to health". In doing so, Esso Australia Pty Ltd has contravened clause 9(2)(d) of Schedule 3 to the Act.

As a result, I am satisfied that these contraventions constitute a risk to the health or safety of persons at the Bream A facility.

You are required to take action within **60** days of the date of this notice to prevent or reduce the risk.

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

Complete a management review of the key interfaces between Esso Australia Pty Ltd and UGL in relation to the planning for, and implementation of, work undertaken at the Bream A facility and any other Esso Australia Pty Ltd facilities where UGL conduct similar work activities. Implement any actions identified from this review to ensure that the systems of work at the facility are safe and without risk to health.

The terms of reference for the review should include the following items:

- Planning of work to be undertaken, whether addressed through the management of change system or through a supplementary labour request;

- Management oversight of the work place;
- Adequacy of the Permit To Work system for all types of work;
- Adequacy of supervision of the UGL workforce in general, and to ensure Permit to Work compliance and monitoring of work activities;
- Role of UGL supervisors in review of the Permits To Work prepared by their workers;
- Adequacy of the Permit To Work system to support all types of work that can be undertaken on Esso Australia Pty Ltd facilities including where the same work could be undertaken using different types of Permit to Work to ensure the highest safety standards are applied;
- The competency of all workers who may act in the role of Permit Holder under the Permit To Work system to fulfil roles and responsibilities of this position;
- Management oversight of the UGL Short Service Worker assessment process to ensure it meets Esso Australia Pty Ltd requirements;
- Requirements for, and adequacy of, supporting information such as P&ID's, work instructions and procedures for all work activities; or

Implement such other controls to comply with Clause (9)(2)(d) and reduce the risk to a level that is as low as reasonably practicable.

**Signed:**



**NOPSEMA Inspector**

**Dated: 20 December 2017**

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:



Position:

NOPSEMA Inspector

Address:

Send in electronic format via email to:  
[submissions@nopsema.gov.au](mailto: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. 692 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.