

## OHS IMPROVEMENT NOTICE

To: PTTEP Australasia (Ashmore Cartier) Pty Ltd – “Operator”

In conducting OHS inspection 1832 in relation to the Montara Venture 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 clause 9(2)(d) of Schedule 3 to the Act at the Montara Venture facility.

The reasons for my opinion are:

NOPSEMA received a notification, NOPSEMA ID 5502 - 21 July 2018, of a leak in the cargo pump room of the Montara Venture Floating Production Storage and Offtake (FPSO) facility. Gas detectors had indicated a leak of hydrocarbons into the pump room. NOPSEMA initiated an inspection (1832).

Montara Venture was built in 1989 as an oil tanker. It was converted into an FPSO in 2009, retaining the original tanker cargo pumphroom pipework.

During the NOPSEMA inspection the operator was not able to provide any in-service records of cargo room pipework inspections or fitness for service assessments prior to recent multiple pipework leaks.

Since the piping leaks the operator conducted pipework inspections of limited scope that do not provide a complete corrosion and erosion assessment of the cargo pumphroom piping system. Some of the results sighted by NOPSEMA indicate corrosion in excess of the reported design corrosion allowance. A contributing corrosion mechanism was identified by the operator as bacterial pitting – a type of corrosion that can be unpredictable in terms of detection, extent and rate of material degradation. The complete condition of the pipework system is therefore not known.

In the current facility Safety Case, “*Hydrocarbon loss of containment in Cargo Pump Room*” is identified as a Major Accident Event (MAE) to which the integrity of static equipment e.g. pipework and associated equipment has been identified as a mitigation. The lack of an acceptable static equipment corrosion assessment represents a risk of equipment failure, resultant loss of containment of hydrocarbons, and the potential for explosion and fire.

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:

The potential for a major accident event at the facility due to a failure in the cargo pumphroom pipework, loss of containment of hydrocarbons and resultant fire and explosion.

You are required to take action within **90** days of the date of this notice to prevent or reduce the risk.

I am also satisfied on reasonable grounds that the following action is required to be taken by the responsible person within the period specified above:

- Complete an assessment of the condition of all cargo pumphroom static equipment and pipework, including the location and extent of corrosion defects and the condition of internal coatings; and
  - Develop and implement a preventative planned inspection, maintenance and remediation strategy to ensure that all cargo pumphroom pipework is fit for service;
- or,
- Implement such other controls as required to reduce risk to a level that is as low as reasonably practicable.

**Signed:**   
**NOPSEMA Inspector****Dated: 27/09/2018**

NOTES: (Please see back of notice)

The following section is to be completed if serving the notice to the responsible person by giving it to the operator's representative or titleholder's representative at the facility, or the identified responsible person onshore.

This notice was delivered to: \_\_\_\_\_

(insert name)

in the office or position of \_\_\_\_\_

(insert office or position)

at: \_\_\_\_\_ am/pm on \_\_\_\_\_

(insert time)

(insert date)

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.

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Improvement Notice No. **0718** 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.