

OHS IMPROVEMENT NOTICE

To: Esso Australia Pty Ltd (“EAPL”)

In conducting an OHS inspection in relation to the Tuna facility (the facility), I, [REDACTED], a NOPSEMA inspector appointed under section 602 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act), am satisfied on reasonable grounds that:

(a) EAPL is contravening clause 9(2)(a) of Schedule 3 to the Act

AND

(b) As a result, there is, or may be, a risk to the health or safety of a person at the facility.

The reasons for my opinion are:

NOPSEMA conducted an inspection on 30 and 31 March 2021 at the facility and made further inquiries thereafter.

During the inspection of the facility, NOPSEMA inspectors observed severe corrosion to a walkway grating on the south west stairway from the cellar deck to the sub-cellar deck, with some sections of the grating load bars being completely corroded away.

Scaffold bars had been installed to block personnel access to the holed sections of the grating. However, this left a corner section of the corroded grating accessible to personnel using the adjacent stairwell. This section of the grating was also suspended by a single tread bar corroded at one point to less than 2mm thickness.

The inspectors formed the opinion that the scaffold bar arrangement was inadequate as a risk control measure as there was no load bearing mitigation over the exposed corroded grating and therefore personnel could still access the corner of grating that was only supported by a single severely corroded load bar, which if it failed, could result in personnel falling directly to the sea.

A person falling from an elevated worksite from the failure of grating under load due to corrosion is identified by EAPL as a major accident event (MAE) in the facility safety case.

EAPL’s 2016 Platform Above Water Survey (PAWS) inspection report (OF16-STR-7.1vt) produced following an inspection conducted on 18 June 2016, recorded the results of the visual inspection finding for the grating as:

“Heavy corrosion, 3.0mm – 4.0mm metal loss. Heavy corrosion scale identified to isolated areas within grating panel. Debris removed revealing isolated load bars with remaining thickness of 3.2-3.5mm typical. Suggest panel may require replacement prior to next inspection interval.”

EAPL’s 2019 PAWS inspection report (TNA19-PAWS-VTE-1200) -Sub cellar deck, produced following an inspection conducted between 11-12 October 2019, recorded the results of the visual inspection finding for the grating as:

“Severe corrosion, >5.0mm metal loss – full penetration hole. Severe corrosion & multiple corrosion holes to grating at 1st stairway landing. OIM notified. Location now barricaded off. Integrity notification #0876 raised for interim control to be fitted to area.”

The critical control to prevent the failure of grating due to corrosion identified in EAPL’s in-force Safety Case is the ‘Targeted above water structural inspection program’ as defined in EAPL’s Structural Equipment Integrity Program Manual (SEIPM).

The Latest Acceptable Completion Date (LACD) recommendation for grating described in the SEIPM (Appendix A) ‘Fitness for Service’ states where a load bar thickness is less than 2mm, the risk is designated 3A (Black), which requires mitigation and replacement within 12 months of inspection.

During the inspection, the inspectors observed that the bar thickness on the walkway grating panel was less than 2mm thick, and were told by EAPL employees that the grating panel had not been replaced within 12 months of the 2019 inspection as required under EAPL’s ‘Fitness for Service’ criteria.

EAPL’s 2019 PAWS close out report dated February 2021 identified the corroded grating as ‘A3’ (unmitigated) risk, which is identified as a ‘black’ risk item per EAPL Risk Based Work Selection matrix. The in-force safety case includes a Key Performance Indicator for the number of ‘black’ risks (prior to interim measures) identified as part of the structural integrity program, and black risks have a performance standard target of Zero.

EAPL had a maintenance work order in place for the replacement of the grating, with a LACD of 29 October 2020; this date had not been met nor was there a revised LACD in the maintenance system. The inspectors were advised the replacement of the grating would be completed during the 2021 facility shutdown, despite the OIM at the time of the inspection stating that a shutdown was not required to complete the work.

Some temporary mitigation measures had been applied; however, the measures did not adequately reduce risks to the safety of personnel using the walkway.

I am therefore satisfied that EAPL has not taken all reasonably practicable to steps to provide and maintain a physical environment at the facility that is safe and without risk to health.

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 advanced state of corrosion to the walkway grating on the facility could result in personnel falling from height causing serious injury or death.

I am satisfied on reasonable grounds that the following actions must be taken by EAPL to reduce or prevent the risk:

1. replace walkway grating panel identified in the PAWS inspection report dated 11-12 October 2019; and
2. ensure that walkway grating and supporting substructure including connection points to the primary structure are fit for purpose and are safe and without risk to health; or
3. Implement such other controls as required to reduce risk to a level that is as low as reasonably practicable.

You are required to take the above actions within **30** days of the date of this notice to prevent or reduce the risk.

Signed:**NOPSEMA Inspector****Dated: 4th May 2021**

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: Manager Assessment and Inspection

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. **821** 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.