

General Direction - section 574

Offshore Petroleum and Greenhouse Gas Storage Act 2006

Direction number: 837

To:

Woodside Energy Ltd

Issue of Direction – section 574 of the Offshore Petroleum and Greenhouse Gas Storage Act 2006

Attached is a written notice of a General direction made under section 574 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Please provide written acknowledgement of receipt of this direction within 7 days of this notice.

A person commits an offence if:

- (a) the person is subject to a direction under section 574; and
- (b) the person engages in conduct; and
- (c) the person's conduct breaches the direction.1

Please provide this office with documented evidence of your compliance with the notice of Direction/s within one month of completion of each Direction.

If you have any questions relating to the content of this Direction, please contact me on 08 6188 8920.

Yours sincerely

Derrick O'Keeffe

Head of Division - Safety & Integrity

Dated: 15 June 2021

NOTES: (Please see explanatory statement)

¹ Section 576 of the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth).



Direction number: 837

I, Derrick O'Keeffe, of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), make this direction under section 574 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (the Act) pursuant to a delegation dated 14 May 2021.

Derrick O'Keeffe

Head of Division, Safety & Integrity

National Offshore Petroleum Safety and Environmental Management Authority

Dated: 15 June 2021

DIRECTION

1. Commencement

This General Direction takes effect on the date of signature.

2. Application

This General Direction applies to Woodside Energy Ltd (ACN 005 482 986), the registered holder of the title.

3. Extended Application

Pursuant to subsection 574(3)(a) of the Act, this instrument also applies to Woodside Energy Ltd (ACN 005 482 986), as the registered operator of the North Rankin Complex facility.

4. Direction

- (1) The registered titleholder is given the Directions contained in Schedule 1.
- (2) Each direction in Schedule 1 is a separate Direction.



Schedule 1 - Directions

The registered titleholder and the registered operator are directed to take the following actions:

Direction 1:

- a. Take all reasonably practicable steps to ensure that the caissons at the NRA platform are safe and without risk to health.
- b. Ensure effective communication with members of the workforce and health and safety representatives is maintained to identify the hazards and manage the risks in undertaking these steps.

Direction 2:

Complete the structural analysis and engineering assessment of the NRA caissons (in service: D3, D5, D11 and CR4; and redundant: C1, C3, C4, C5, C6, C7, C8, C9, C10 and D4) to determine the current status of their structural integrity.

Direction 3:

Use the results of the structural analysis and engineering assessment to identify appropriate remedial actions and implement those actions as soon as reasonably practicable.

Direction 4:

- a. Submit to NOPSEMA a plan to implement the remedial actions identified in Direction 3 as soon as practicable.
- b. Submit to NOPSEMA, on a monthly basis, a report demonstrating progress with implementing the above directions and associated activities until all remedial actions have been completed.



Explanatory Statement - Direction number: 837

Background

NOPSEMA is currently undertaking an investigation in relation to the registered operator's notification of two dangerous occurrences at the North Rankin Alpha (NRA) platform (part of the North Rankin Complex facility) related to impaired caisson structural integrity, including fretting corrosion of caissons C3 and C6.

The registered operator is in the process of conducting non-destructive testing and subsequent engineering assessment of the structural integrity of each caisson. This testing and assessment are not yet complete and as a result the structural integrity is yet to be determined for all caissons.

It is noted that the registered operator removed two of the original sixteen caissons on the facility, the first in October and November of 2020 and the second in May of 2021. Of the remaining caissons, four are in service and the rest (10 caissons) are redundant (not in use) since 2013 (when the North Rankin B platform was commissioned) or 2014 (when the drilling derrick on NRA was deconstructed). The remaining 14 caissons vary in length and diameter, but typically extend from the production deck (+21m elevation) to subsea (-50m elevation). A majority of redundant caissons are 900mm diameter and weigh approximately 24 tonnes. The caissons attached to the jacket are positioned approximately 70m above the sea floor, in the vicinity of two subsea gas and condensate pipelines (30" GWA/NRA IFL inter field line and 40" 1TL trunkline).

Structural integrity failure of one or more of the remaining caissons could lead to dropped object damage to the facility structure or loss of containment from the subsea gas and condensate pipelines. While the likelihood of pipeline rupture is low, should it occur, loss of hydrocarbon (gas and condensate) from these pipelines may result in a major accident event.

The registered title holder (Woodside Energy Limited) has advised NOPSEMA that regular communication with members of the workforce and health and safety representatives regarding the hazards and controls, including updates on planned remedial actions has been undertaken.

Breach of a direction

Pursuant to section 576 of the Act, if a person is subject to a General Direction under section 574 and the person engages in conduct that breaches that Direction, the person commits an offence or contravention:

- Fault-based offence 5 years imprisonment or 2,000 penalty units, or both (10,000 penalty units for a body corporate).
- Strict liability offence 100 penalty units (500 penalty units for a body corporate).
- Civil penalty provision 525 penalty units (2,625 penalty units for a body corporate).
- Continuing offences a person who commits a fault-based or strict liability offence commits a separate offence in respect for each day during which the offence continues. The maximum penalty for each day that the offence continues is 10% of the maximum penalty that can be imposed in respect to that offence.
- Continuing contraventions of civil penalty provisions a person who contravenes the civil penalty
 provision commits a separate contravention in respect for each day during which the contravention
 continues. The maximum civil penalty for each day that the contravention continues is 10% of the
 maximum civil penalty that can be imposed in respect to that contravention.